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82D CONGRESS
2D SESSION

H. R. 7656

IN THE HOUSE OF REPRESENTATIVES

APRIL 30, 1952

Mr. TEAGUE introduced the following bill; which was referred to the Committee on Veterans' Affairs

A BILL

To provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 TITLE I—SHORT TITLE; STATEMENT OF POLICY;

4 DEFINITIONS

5 SHORT TITLE

6 SEC. 101. This Act may be cited as the "Veterans'
7 Educational Assistance Act of 1952".

8 STATEMENT OF POLICY

9 SEC. 102. The Congress of the United States hereby
10 declares that the veterans' education and training program

1 created by this Act is for the purpose of providing voca-
2 tional readjustment and restoring lost educational oppor-
3 tunities to those service men and women whose educational
4 ambitions have been interrupted or impeded by reason of
5 active service in the Armed Forces during a period of emer-
6 gency and for the purpose of aiding such persons in attaining
7 the educational and training status which he might normally
8 have aspired to and obtained had he not served his country.

9

DEFINITIONS

10 SEC. 103. For the purposes of this Act—

11 (1) the term “basic service period” means the
12 period beginning on June 27, 1950, and ending on such
13 date as shall be determined by Presidential proclamation
14 or concurrent resolution of the Congress;

15 (2) the term “eligible veteran” means any person
16 who is not in the active service in the Armed Forces and
17 who—

18 (A) has served in the active service in the
19 Armed Forces at any time during the basic service
20 period,

21 (B) has been discharged or released from such
22 active service under conditions other than dishonor-
23 able, and

24 (C) has served in the active service in the
25 Armed Forces for ninety days or more (exclusive

of any period he was assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians, or as a cadet or midshipman at one of the service academies), or has been discharged or released from active service by reason of an actual service-incurred injury or disability;

(3) the term "program of education or training" means any single unit course or subject, any curriculum, or any combination of unit courses or subjects, which is generally accepted as necessary to fulfill requirements for the attainment of a predetermined and identified educational, professional, or vocational objective;

(4) the term "course" means an organized unit of subject matter in which instruction is offered within a given period of time or which covers a specific amount of related subject matter for which credit toward graduation or certification is usually given;

(5) the term "dependent" means—

(A) a child (as defined in paragraph VI of Veterans Regulation Numbered 10, as amended) of an eligible veteran,

(B) a parent (as defined in paragraph VII of Veterans Regulation Numbered 10, as amended)

1 of an eligible veteran, if the parent is in fact depend-
2 ent upon the veteran, and

3 (C) the wife of an eligible veteran, or, in the
4 case of an eligible veteran who is a woman, her
5 husband if he is in fact dependent upon the veteran;

6 (6) the term "educational institution" means any
7 public or private elementary school, secondary school,
8 vocational school, correspondence school, business school,
9 junior college, teachers college, college, normal school,
10 professional school, university, scientific or technical
11 institution, or other institution furnishing education for
12 adults;

13 (7) the term "training establishment" means any
14 business or other establishment providing apprentice or
15 other training on the job, including those under the
16 supervision of a college or university or any State depart-
17 ment of education, or any State apprenticeship agency,
18 or any State board of vocational education, or any ap-
19 prentice council, or the Bureau of Apprenticeship estab-
20 lished in accordance with Public Law 308, Seventy-fifth
21 Congress, or any agency of the Federal Government
22 authorized to supervise such training;

23 (8) the term "Armed Forces" means the Army,
24 the Navy, the Air Force, the Marine Corps, and the
25 Coast Guard of the United States;

(9) the term "State" means the several States, the Territories and possessions of the United States, and the District of Columbia;

(10) the term "Administrator" means the Administrator of Veterans' Affairs; and

(11) the term "Commissioner" means the United States Commissioner of Education.

TITLE II—ELIGIBILITY

ENTITLEMENT TO EDUCATION OR TRAINING

SEC. 201. Each eligible veteran shall, subject to the provisions of sections 202 and 203, be entitled to the education or training provided under this Act.

COMMENCEMENT; TIME LIMITATIONS

SEC. 202. No eligible veteran shall be entitled to initiate a program of education or training under this Act after two years after his discharge or release from active service or after September 1, 1954, whichever is later. In the event an eligible veteran returns to active service in the Armed Forces during the basic service period, his date of discharge or release shall, for the purposes of this section and section 203, be the date of his discharge or release from his last period of active service which began during the basic service period.

EXPIRATION OF ALL EDUCATION AND TRAINING

SEC. 203. No education or training shall be afforded an eligible veteran under this Act beyond seven years after

1 either his discharge or release from active service or the end
2 of the basic service period, whichever is earlier.

3 DURATION OF VETERAN'S EDUCATION OR TRAINING

4 SEC. 204. (a) Each eligible veteran shall be entitled
5 to education or training under this Act for a period equal
6 to one and a half times the duration of his active service in
7 the Armed Forces during the basic service period (or to
8 the equivalent thereof in part-time training), except that—

9 (1) in computing the duration of his active service
10 in the Armed Forces, there shall be excluded a period
11 equal to any period he was assigned by the Armed
12 Forces to a civilian institution for a course of education
13 or training which was substantially the same as estab-
14 lished courses offered to civilians or as a cadet or mid-
15 shipman at one of the service academies;

16 (2) the period of education or training to which an
17 eligible veteran shall be entitled under this Act shall
18 not, except as provided in subsection (b), exceed
19 thirty-six months; and

20 (3) the period of education or training to which an
21 eligible veteran shall be entitled under this Act together
22 with education or training received under part VII
23 (Public Law 16, Seventy-eighth Congress, as amended,
24 and Public Law 894, Eighty-first Congress, as

1 amended), or part VIII of Veterans Regulation Num-
2 bered 1 (a), as amended, shall not, except as provided
3 in subsection (b), exceed forty-eight months in the
4 aggregate.

5 (b) Whenever the period of entitlement to education
6 or training under this Act of an eligible veteran who is
7 enrolled in an educational institution regularly operated on
8 the quarter or semester system ends during a quarter or
9 semester and after a major part of such semester or quarter
10 has expired, such period shall be extended to the termination
11 of such unexpired quarter or semester. In all other courses
12 offered by educational institutions, whenever the period of
13 eligibility ends after a major portion of the course is com-
14 pleted such period may be extended to the end of the course
15 or for nine weeks, whichever is the lesser period.

16 (c) In the case of any eligible veteran who is pursuing
17 any program of education or training exclusively by corre-
18 spondence, one-fourth of the elapsed time in following such
19 program of education or training shall be charged against
20 the veteran's period of entitlement.

21 TITLE III—ENROLLMENT

22 SELECTION OF PROGRAM

23 SEC. 301. Subject to the provisions of this Act, each
24 eligible veteran may select a program of education or train-

1 ing to assist him in attaining an educational, professional, or
2 vocational objective at any educational institution or training
3 establishment selected by him, whether or not located in the
4 State in which he resides, which will accept and retain him
5 as a student or trainee in any field or branch of knowledge
6 which such institution or establishment finds him qualified
7 to undertake or pursue.

8 APPLICATIONS; APPROVAL

9 SEC. 302. Any eligible veteran who desires to initiate
10 a program of education or training under this Act shall
11 submit an application to the Administrator which shall be
12 in such form, and contain such information, as the Adminis-
13 trator shall prescribe. The Administrator shall approve such
14 application unless he finds that such veteran is not eligible
15 for or entitled to the education or training applied for or
16 that his program of education or training fails to meet
17 any of the requirements of this Act, or that the eligible vet-
18 eran is already qualified, by reason of previous education
19 and training, for the educational, professional, or vocational
20 objective for which the courses of the program of education
21 or training are offered. The Administrator shall notify the
22 eligible veteran of the approval or disapproval of his
23 application.

CHANGE OF PROGRAM

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SEC. 303. (a) Subject to provisions of section 302, each eligible veteran may, at any time prior to the end of the period during which he is entitled to initiate a program of education or training under this Act, make not more than one change of program of education or training.

(b) Each eligible veteran, who has not made a change of program of education or training before the expiration of the period during which he is entitled to initiate a program of education or training under this Act, may make not more than one change of program of education or training with the approval of the Administrator. The Administrator shall approve such a change if he finds that—

(1) the eligible veteran is not making satisfactory progress in his present program and that the failure is not due to his own misconduct, his own neglect, or his own lack of application, and if the program to which the eligible veteran desires to change is more in keeping with his aptitude or previous education and training;

(2) the program to which the eligible veteran desires to change, while not a part of the program

1 currently pursued by him, is a normal progression
2 from such program; or

3 (3) there exist other cogent reasons for the change.

4 AVOCATIONAL AND RECREATIONAL COURSES

5 SEC. 304. (a) The Administrator shall not approve the
6 enrollment of an eligible veteran in any course which the
7 Administrator finds to be avocational or recreational in
8 character.

9 (b) The following courses shall be presumed to be avo-
10 cational or recreational: Dancing courses; photography
11 courses; bartending courses; personality-development courses;
12 entertainment courses; music courses—instrumental and
13 vocal; public-speaking courses; and courses in sports and
14 athletics such as horseback riding, swimming, fishing, skiing,
15 golf, baseball, tennis, bowling, and sports officiating (except
16 applied music, physical education, or public-speaking courses
17 which are offered by institutions of higher learning for credit
18 as an integral part of a program leading to an educational
19 objective); but no such course shall be considered to be
20 avocational or recreational in character if the veteran submits
21 justification that such course will contribute to bona fide use in
22 the veteran's present or contemplated business or occupation.

23 DISCONTINUANCE FOR UNSATISFACTORY PROGRESS

24 SEC. 305. The Administrator shall discontinue the pro-
25 gram of education or training of an eligible veteran if, at

1 any time, he finds that, according to the regularly pre-
2 scribed standards and practices of the educational institution
3 or training establishment, the conduct or progress of such
4 veteran is unsatisfactory.

5 MINIMUM NUMBER OF NONVETERAN STUDENTS REQUIRED

6 SEC. 306. The Administrator shall not approve the
7 enrollment of any eligible veteran, not already enrolled, in
8 any nonaccredited course below the college level offered by
9 a proprietary profit or proprietary nonprofit educational
10 institution for any period during which the Administrator
11 finds that more than three-fourths of the students enrolled
12 in the course are having all or any part of their tuition,
13 fees, or other charges paid to or for them by the educational
14 institution or the Veterans' Administration under part VII
15 or part VIII of Veterans Regulation Numbered 1 (a) or
16 this Act.

17 PERIOD OF OPERATION FOR APPROVAL

18 SEC. 307. (a) The Administrator shall not approve
19 the enrollment of an eligible veteran in any course offered
20 by an educational institution when such course has been in
21 operation for less than one year.

22 (b) Subsection (a) shall not apply to—

23 (1) any course to be pursued in a public or other
24 tax-supported educational institution;

25 (2) any course which is offered by an educational

1 institution which has been in operation for more than
2 three years, if such course is similar in character to the
3 instruction previously given by such institution; or

4 (3) any course which has been offered by an in-
5 stitution for a period of more than three years, notwith-
6 standing the institution has moved to another location
7 within the same general locality.

8 INSTITUTIONS LISTED BY THE ATTORNEY GENERAL

9 SEC. 308. The Administrator shall not approve the
10 enrollment of, or payment of an education and training
11 allowance to, any eligible veteran in any course in an edu-
12 cational institution or training establishment while it is listed
13 by the Attorney General under section 3 of part III of
14 Executive Order 9835, as amended.

15 TITLE IV—PAYMENTS TO VETERANS

16 EDUCATION AND TRAINING ALLOWANCE

17 SEC. 401. (a) The Administrator shall pay to each
18 eligible veteran who is pursuing a program of education or
19 training under this Act, and who applies therefor, an educa-
20 tion and training allowance to meet in part the expenses of
21 his subsistence, tuition, fees, supplies, books, and equipment.

22 (b) The education and training allowance for an eligible
23 veteran shall be paid, as provided in section 402, only for
24 the period of the veteran's enrollment as approved by the
25 Administrator, but no allowance shall be paid—

1 (1) to any veteran enrolled in a course approved
2 under section 603 or a course of institutional on-farm
3 training for any period when the veteran is not pursuing
4 his course in accordance with the regularly established
5 policies and regulations of the institution and the require-
6 ments of this Act,

7 (2) to any veteran enrolled in a course approved
8 under section 604 or in a course of apprentice or other
9 training on the job for any day of absence in excess
10 of thirty days in a twelve-month period, not counting
11 as absences week ends or legal holidays established by
12 Federal or State law during which the institution or
13 establishment is not regularly in session or operation,
14 or

15 (3) to any veteran pursuing his program of edu-
16 cation exclusively by correspondence for any period
17 during which no lessons were serviced by the institution.

18 (c) No education and training allowance shall be paid
19 to an eligible veteran for any period until the Administrator
20 shall have received—

21 (1) from the eligible veteran (A) in the case of
22 an eligible veteran enrolled in a course approved under
23 section 603 or a course of institutional on-farm training,
24 a certification that he was actually enrolled in and
25 pursuing the course as approved by the Administrator,

1 or (B) in the case of an eligible veteran enrolled in a
2 course approved under section 604 or a course of ap-
3 prentice or other training on the job, a certification
4 as to actual attendance during such period, or (C) in
5 the case of an eligible veteran enrolled in a program
6 of education or training by correspondence, a certification
7 as to the number of lessons actually completed by the
8 veteran and serviced by the institution; and

9 (2) from the educational institution or training
10 establishment, a certification, or endorsement on the
11 veteran's certificate, that such veteran was enrolled in
12 and pursuing a course of education or training during
13 such period, and, in the case of an institution furnishing
14 education or training to a veteran exclusively by corre-
15 spondence, a certification, or endorsement on the vet-
16 eran's certificate, as to the number of lessons completed
17 by the veteran and serviced by the institution.

18 Education and training allowances shall, insofar as practi-
19 cable, be paid within twenty days after receipt by the Ad-
20 ministrator of the certifications required by this subsection.

21 COMPUTATION OF EDUCATION AND TRAINING ALLOWANCES

22 SEC. 402. (a) The education and training allowance of
23 an eligible veteran who is pursuing a program of education
24 or training in an educational institution and is not entitled
25 to receive an education and training allowance under sub-

1 section (b), (c), (d), (e), or (f) shall be computed as
2 follows:

3 (1) If such program is pursued on a full-time basis,
4 such allowance shall be computed at the rate of \$110 per
5 month, if the veteran has no dependent, or at the rate
6 of \$150 per month if he has one or more dependents.

7 (2) If such program is pursued on a three-quarters
8 time basis, such allowance shall be computed at the rate
9 of \$80 per month, if the veteran has no dependent, or
10 at the rate of \$110 per month, if he has one or more
11 dependents.

12 (3) If such program is pursued on a half-time basis,
13 such allowance shall be computed at the rate of \$50
14 per month, if the veteran has no dependent, or at the
15 rate of \$70 per month, if he has one or more
16 dependents.

17 (b) The education and training allowance of an eligible
18 veteran who is pursuing a full-time program of education
19 and training which consists of institutional courses and on-
20 the-job training, with the on-the-job training portion of the
21 program being strictly supplemental to the institutional
22 portion, shall be computed at the rate of (1) \$90 per month,
23 if he has no dependent, or (2) \$120 per month, if he has
24 one or more dependents.

25 (c) The education and training allowance of an eligible

1 veteran pursuing apprentice or other training on the job
2 shall be computed at the rate of (1) \$70 per month, if he
3 has no dependent, or (2) \$95 per month, if he has one or
4 more dependents; except that his education and training
5 allowance shall be reduced at the end of each four-month
6 period as his program progresses by an amount which bears
7 the same ratio to the basic education and training allowance
8 as four months bears to the total duration of his apprentice
9 or other training on the job; but in no case shall the Admin-
10 istrator pay an education and training allowance under this
11 subsection in an amount which, when added to the compen-
12 sation to be paid to the veteran, in accordance with his ap-
13 proved training program, for productive labor performed as
14 a part of his course, would exceed the rate of (1) \$225
15 per month, if he has no dependent, or (2) \$300 per month,
16 if he has one or more dependents. For the purpose of com-
17 puting allowances under this subsection, the duration of
18 the training of an eligible veteran shall be the period speci-
19 fied in the approved application as the period during which
20 he may receive an education and training allowance for such
21 training, plus such additional period, if any, as is necessary
22 to make the number of months of such training a multiple
23 of four.

24 (d) The education and training allowance of an eligible
25 veteran pursuing institutional on-farm training shall be com-

1 puted at the rate of (1) \$95 per month, if he has no depend-
2 ent, or (2) \$120 per month, if he has one or more depend-
3 ents; except that his education and training allowance shall
4 be reduced at the end of each four-month period as his pro-
5 gram progresses by an amount which bears the same ratio
6 to \$65 per month, if the veteran has no dependent, or \$90
7 per month, if he has one or more dependents, as four months
8 bears to the total duration of such veteran's institutional
9 on-farm training. For the purpose of computing allowances
10 under this subsection, the duration of the training of an eli-
11 gible veteran shall be the period specified in the approved
12 application as the period during which he may receive an
13 education and training allowance for such training, plus
14 such additional period, if any, as is necessary to make the
15 number of such months of such training a multiple of four.

16 (e) The education and training allowance of an eligible
17 veteran pursuing a program of education or training ex-
18 clusively by correspondence shall be computed on the
19 basis of the established charge which the institution re-
20 quires nonveterans to pay for the course or courses pursued
21 by the eligible veteran. Such allowance shall be paid quar-
22 terly on a pro rata basis for the lessons completed by the
23 veteran and serviced by the institution, as certified by the
24 institution.

1 (f) The education and training allowance of an eligible
2 veteran who is pursuing a program of education or training
3 under this Act in an educational institution on a less-than-
4 half-time basis shall be computed at the rate of (1) the
5 established charges for tuition and fees which the institution
6 requires similarly circumstanced nonveterans enrolled in the
7 same course to pay, or (2) \$110 per month for a full-time
8 course, whichever is the lesser.

9 (g) Each eligible veteran who is pursuing an approved
10 course of flight training shall be paid an education and train-
11 ing allowance to be computed at the rate of 75 per centum
12 of the established charge which similarly circumstanced non-
13 veterans enrolled in the same flight course are required to
14 pay for tuition for the course. If such veteran's program
15 of education or training consists exclusively of flight training,
16 he shall not be paid an education and training allowance
17 under one of the preceding subsections of this section; if his
18 program of education or training consists of flight training
19 and other education or training, the allowance payable under
20 this subsection shall be in addition to any education and
21 training allowance payable to him under one of the preceding
22 subsections of this section for education or training other than
23 flight training. Such allowance shall be paid monthly upon
24 the receipt of certification from the eligible veteran and the
25 institution as to the actual flight training received by the

1 veteran. In each such case the eligible veteran's period of
2 entitlement shall be charged (in addition to any charge made
3 against his entitlement by reason of education or training
4 other than flight training) with one day for each \$1.25 which
5 is paid to the veteran as an education and training allowance
6 for such course.

7 (h) No eligible veteran shall be paid an education and
8 training allowance under this Act for any period during
9 which (1) he is enrolled in and pursuing a course of educa-
10 tion or training paid for by the United States under any
11 provision of law other than this Act, where the payment
12 of such allowance would constitute a duplication of benefits
13 paid to the veteran from the Federal Treasury, or (2) he
14 is pursuing a course of apprentice or other training on the
15 job, a course of institutional on-farm training, or a course
16 of education and training described in subsection (b), on
17 a less than full-time basis.

18 FULL-TIME COURSES

19 SEC. 403. (a) For the purposes of this Act, (1) an
20 institutional trade or technical course offered on a clock-
21 hour basis below the college level involving shop practice
22 as an integral part thereof, shall be considered a full-time
23 course when a minimum of thirty hours per week of at-
24 tendance is required with not more than two and one-half
25 hours of rest periods per week allowed, (2) an institutional

1 course offered on a clock-hour basis below the college level
2 in which theoretical or class room instruction predominates
3 shall be considered a full-time course when a minimum of
4 twenty-five hours per week net of instruction is required,
5 and (3) an institutional undergraduate course offered by a
6 college or university on a quarter or semester-hour basis
7 for which credit is granted toward a standard college degree
8 shall be considered a full-time course when a minimum of
9 fourteen semester hours or its equivalent is required.

10 (b) The Administrator shall define full-time training in
11 the case of all types of courses of education or training other
12 than institutional on-farm training and the types of courses
13 referred to in subsection (a).

14 OVERCHARGES BY EDUCATIONAL INSTITUTIONS

15 SEC. 404. The Administrator may discontinue the edu-
16 cation and training allowance of an eligible veteran enrolled
17 in an educational institution if he finds that the institution
18 has charged or received from such veteran any amount in
19 excess of the established charges for tuition and fees which
20 the institution requires similarly circumstanced nonveterans,
21 enrolled in the same course, to pay, except that, in the case
22 of a tax-supported public educational institution which does
23 not have established charges for tuition and fees which it
24 requires nonveteran residents to pay, such institution may
25 charge and receive from each eligible veteran who is a resident

1 an amount equal to the established cost of teaching personnel
2 and supplies for instruction attributable to such veteran, but
3 in no event to exceed the rate of \$31 per month for a full-time
4 course.

5 TITLE V—STATE APPROVING AGENCIES

6 DESIGNATION

7 SEC. 501. (a) The chief executive of each State is re-
8 quested to create or designate a State department or agency
9 as the “State approving agency” for his State for the pur-
10 poses of this Act.

11 (b) (1) In the event the chief executive of any State
12 fails or declines to create or designate a State approving
13 agency, the provisions of this Act which refer to the State
14 approving agency shall, with respect to such State, be
15 deemed to refer to the Commissioner.

16 (2) In the case of courses subject to approval by the
17 Commissioner under section 502, the provisions of this Act
18 which refer to a State approving agency shall be deemed to
19 refer to the Commissioner.

20 APPROVAL OF COURSES

21 SEC. 502. (a) An eligible veteran shall receive the
22 benefits of this Act while enrolled in a course of education
23 or training offered by an educational institution or training
24 establishment only if such course is approved by the State
25 approving agency for the State where such educational insti-

1 tution or training establishment is situated or by the Com-
2 missioner. Approval of courses by State approving agencies
3 shall be in accordance with the provisions of this Act and
4 such other regulations and policies as the State approving
5 agency may adopt. Each State approving agency shall
6 furnish the Administrator with a current list of educational
7 institutions and training establishments, specifying courses
8 which it has approved, and, in addition to such list, it shall
9 furnish such other information to the Administrator as it
10 and the Administrator may determine to be necessary to
11 carry out the purposes of this Act. Each State approving
12 agency shall notify the Administrator of the disapproval of
13 any course previously approved and shall set forth the reasons
14 for such disapproval.

15 (b) The Commissioner shall be responsible for the ap-
16 proval of courses of education or training offered—

17 (1) by educational institutions not situated in a
18 State; or

19 (2) by any agency of the Federal Government
20 authorized under other laws to supervise such education
21 or training.

22 The Commissioner may approve any course in any other

1 educational institution or training establishment in accord-
2 ance with the provisions of this Act.

3 COOPERATION

4 SEC. 503. (a) The Administrator and each State ap-
5 proving agency shall take cognizance of the fact that definite
6 duties, functions, and responsibilities are conferred upon the
7 Administrator and each State approving agency under the
8 veterans' educational programs. To assure that such pro-
9 grams are effectively and efficiently administered, the co-
10 operation of the Administrator and the State approving
11 agencies is essential. It is necessary to establish an ex-
12 change of information pertaining to activities of educational
13 institutions and training establishments, and particular at-
14 tention should be given to the enforcement of approval
15 standards, enforcement of wage and income limitations,
16 enforcement of enrollment restrictions, and fraudulent and
17 other criminal activities on the part of persons connected
18 with educational institutions and training establishments in
19 which veterans are enrolled under this Act.

20 (b) The Administrator will furnish the State approving
21 agencies with copies of such Veterans' Administration in-
22 formational material as may aid them in carrying out this
23 Act.

USE OF OFFICE OF EDUCATION AND OTHER FEDERAL

SEC. 504. (a) In carrying out his functions under this

(b) Any such utilization or delegation shall be pur-

REIMBURSEMENT OF EXPENSES

SEC. 505. The Administrator is authorized to enter into contracts or agreements with State and local agencies to pay such State and local agencies for reasonable and necessary expenses of salary and travel incurred by employees of such agencies in (1) rendering necessary services in ascertaining the qualifications of educational institutions and training establishments for furnishing courses of education or training to eligible veterans under this Act, and in the supervision of such educational institutions and training establishments, and (2) furnishing, at the request of the Administrator, any other services in connection with this Act. Each such contract or agreement shall be conditioned upon compliance with the standards and provisions of this Act.

TITLE VI—APPROVAL OF COURSES OF EDUCATION AND TRAINING

APPRENTICE OR OTHER TRAINING ON THE JOB

SEC. 601. (a) Apprentice or other training on the job shall consist of courses offered by training establishments whenever such courses of training are furnished in accordance with the provisions of this section. Any training establishment desiring to furnish a course of apprentice or other training on the job shall submit to the appropriate State

1 approving agency a written application setting forth the
2 course of training for each job for which an eligible veteran
3 is to be trained. The written application covering the course
4 of training shall include the following:

5 (1) Title and description of the specific job objec-
6 tive for which the eligible veteran is to be trained;

7 (2) The length of the training period;

8 (3) A schedule listing various operations for major
9 kinds of work or tasks to be learned and showing for
10 each, job operations or work, tasks to be performed,
11 and the approximate length of time to be spent on each
12 operation or task;

13 (4) The wage or salary to be paid at the beginning
14 of the course of training, at each successive step in the
15 course, and at the completion of training;

16 (5) The entrance wage or salary paid by the estab-
17 lishment to employees already trained in the kind of
18 work for which the veteran is to be trained; and

19 (6) The number of hours of supplemental related
20 instruction required.

21 (b) The appropriate State approving agency may ap-
22 prove a course of apprentice or other training on the job
23 specified in an application submitted by a training establish-
24 ment in accordance with subsection (a) if such training

1 establishment is found upon investigation to have met the
2 following criteria:

3 (1) The training content of the course is adequate
4 to qualify the eligible veteran for appointment to the
5 job for which he is to be trained.

6 (2) There is reasonable certainty that the job for
7 which the eligible veteran is to be trained will be avail-
8 able to him at the end of the training period.

9 (3) The job is one in which progression and ap-
10 pointment to the next higher classification are based
11 upon skills learned through organized training on the
12 job and not on such factors as length of service and
13 normal turn-over.

14 (4) The wages to be paid the eligible veteran for
15 each successive period of training are not less than those
16 customarily paid in the training establishment and in the
17 community to a learner in the same job who is not
18 a veteran.

19 (5) The job customarily requires a period of train-
20 ing of not less than three months and not more than two
21 years of full-time training, except that this provision
22 shall not apply to apprentice training.

23 (6) The length of the training period is no longer
24 than that customarily required by the training establish-

1 ment and other training establishments in the community
2 to provide an eligible veteran with the required skills,
3 arrange for the acquiring of job knowledge, technical
4 information, and other facts which the eligible veteran
5 will need to learn in order to become competent on the
6 job for which he is being trained.

7 (7) Provision is made for related instruction for the
8 individual eligible veteran who may need it.

9 (8) There is in the training establishment adequate
10 space, equipment, instructional material, and instructor
11 personnel to provide satisfactory training on the job.

12 (9) Adequate records are kept to show the progress
13 made by each eligible veteran toward his job objective.

14 (10) Appropriate credit is given the eligible vet-
15 eran for previous training and job experience, whether in
16 the military service or elsewhere, his beginning wage ad-
17 justed to the level to which such credit advances him and
18 his training period shortened accordingly and provision is
19 made for certification by the training establishment that
20 such credit has been granted and the beginning wage ad-
21 justed accordingly. No course of training will be con-
22 sidered bona fide if given to an eligible veteran who is
23 already qualified by training and experience for the job
24 objective.

25 (11) A signed copy of the training agreement for

1 each eligible veteran, including the training program
2 and wage scale as approved by the State approving
3 agency, is provided to the veteran and to the Adminis-
4 trator and the State approving agency by the employer.

5 (12) Upon completion of the course of training
6 furnished by the training establishment the eligible vet-
7 eran is given a certificate by the employer indicating
8 the length and type of training provided and that the
9 eligible veteran has completed the course of training on
10 the job satisfactorily.

11 (13) That the course meets such other criteria as
12 may be established by the State approving agency.

13 INSTITUTIONAL ON-FARM TRAINING

14 SEC. 602. (a) An eligible veteran shall be entitled to
15 an education and training allowance under section 402 (d)
16 while enrolled in a course of full-time institutional on-farm
17 training which has been approved by the appropriate State
18 approving agency in accordance with the provisions of this
19 section.

20 (b) The State approving agency may approve a course
21 of institutional on-farm training when it satisfies the follow-
22 ing requirements:

23 (1) The course combines organized group instruc-
24 tion in agricultural and related subjects of at least two

1 hundred hours per year (and of at least eight hours
2 each month) at an educational institution, with super-
3 vised work experience on a farm or other agricultural
4 establishment.

5 (2) The eligible veteran will perform a part of
6 such course on a farm or other agricultural establish-
7 ment under his control.

8 (3) The course is developed with due consideration
9 to the size and character of the farm or other agri-
10 cultural establishment on which the eligible veteran will
11 receive his supervised work experience and to the need
12 of such eligible veteran, in the type of farming for which
13 he is training, for proficiency in planning, producing,
14 marketing, farm mechanics, conservation of resources,
15 food conservation, farm financing, farming management,
16 and the keeping of farm and home accounts.

17 (4) The eligible veteran will receive not less than
18 one hundred hours of individual instruction per year, not
19 less than fifty hours of which shall be on such farm or
20 other agricultural establishment (with at least two visits
21 by the instructor to such farm each month). Such indi-
22 vidual instruction shall be given by the instructor re-
23 sponsible for the veteran's institutional instruction and
24 shall include instruction and home-study assignments in
25 the preparation of budgets, inventories, and statements

1 showing the production, use on the farm, and sale of
2 crops, livestock, and livestock products.

3 (5) The eligible veteran will be assured of con-
4 trol of such farm or other agricultural establishment
5 — (whether by ownership, lease, management agreement,
6 or other tenure arrangement) until the completion of his
7 course.

8 (6) Such farm or other agricultural establishment
9 shall be of a size and character which (A) will, together
10 with the group-instruction part of the course, occupy
11 the full time of the eligible veteran, (B) will permit
12 instruction in all aspects of the management of the farm
13 or other agricultural establishment of the type for which
14 the eligible veteran is being trained, and will provide
15 the eligible veteran an opportunity to apply to the opera-
16 tion of his farm or other agricultural establishment the
17 major portion of the farm practices taught in the group-
18 instruction part of the course, and (C) will assure him
19 a satisfactory income for a reasonable living under
20 normal conditions at least by the end of his course.

21 (7) Provision shall be made for certification by the
22 institution and the veteran that the training offered does
23 not repeat or duplicate training previously received by
24 the veteran.

25 (8) The institutional on-farm training meets such

1 other criteria as may be established by the State approv-
2 ing agency.

3 APPROVAL OF ACCREDITED COURSES

4 SEC. 603. (a) A State approving agency may approve
5 the courses offered by an educational institution when—

6 (1) such courses have been accredited and approved
7 by a nationally recognized accrediting agency or asso-
8 ciation;

9 (2) credit for such courses is approved by the State
10 department of education for credit toward a high school
11 diploma;

12 (3) such courses are conducted under the Act of
13 February 23, 1917, as amended (39 Stat. 927), or the
14 Vocational Education Act of 1946; or

15 (4) such courses are accepted by the State depart-
16 ment of education for credit for a teacher's certificate or
17 a teacher's degree.

18 For the purposes of this Act the Commissioner shall publish
19 a list of nationally recognized accrediting agencies and asso-
20 ciations which he determines to be reliable authority as to
21 the quality of training offered by an educational institution
22 and the State approving agencies may, upon concurrence,
23 utilize the accreditation of such accrediting associations or
24 agencies for approval of the courses specifically accredited
25 and approved by such accrediting association or agency. In

1 making application for approval, the institution shall transmit
2 to the State approving agency copies of its current catalog
3 or bulletin.

4 (b) As a condition to approval under this section, the
5 State approving agency must find that adequate records are
6 kept by the educational institution to show the progress of
7 each eligible veteran. The State approving agency must
8 also find that the educational institution maintains a written
9 record of the previous education and training of the veteran
10 and clearly indicates that appropriate credit has been given
11 by the institution for previous education and training, with
12 the training period shortened proportionately and the veteran
13 and the Administrator so notified.

14 APPROVAL OF NONACCREDITED COURSES

15 SEC. 604. (a) No course of education or training
16 (other than a course of institutional on-farm training)
17 which has not been approved by a State approving agency
18 pursuant to section 603, which is offered by a public or
19 private, profit or nonprofit, educational institution shall
20 be approved for the purposes of this Act unless the educa-
21 tional institution offering such course submits to the appro-
22 priate State approving agency a written application for
23 approval of such course in accordance with the provisions
24 of this Act.

25 (b) Such application shall be accompanied by not less

1 than two copies of the current catalog or bulletin which is
2 certified as true and correct in content and policy by an
3 authorized owner or official and includes the following:

4 (1) Identifying data, such as volume number and
5 date of publication;

6 (2) Names of the institution and its governing
7 body, officials and faculty;

8 (3) A calendar of the institution showing legal holi-
9 days, beginning and ending date of each quarter, term
10 or semester, and other important dates;

11 (4) Institution policy and regulations on enroll-
12 ment with respect to enrollment dates and specific en-
13 trance requirements for each course;

14 (5) Institution policy and regulations relative to
15 leave, absences, class cuts, make-up work, tardiness and
16 interruptions for unsatisfactory attendance;

17 (6) Institution policy and regulations relative to
18 standards or progress required of the student by the
19 institution (this policy will define the grading system
20 of the institution, the minimum grades considered satis-
21 factory, conditions for interruption for unsatisfactory
22 grades or progress and a description of the probationary
23 period, if any, allowed by the institution, and conditions
24 of reentrance for those students dismissed for unsatis-

factory progress. A statement will be made regarding progress records kept by the institution and furnished the student) ;

(7) Institution policy and regulations relating to student conduct and conditions for dismissal for unsatisfactory conduct;

(8) Detailed schedule of fees, charges for tuition, books, supplies, tools, student activities, laboratory fees, service charges, rentals, deposits, and all other charges;

(9) Policy and regulations of the institution relative to the refund of the unused portion of tuition, fees, and other charges in the event the student does not enter the course or withdraws or is discontinued therefrom;

(10) A description of the available space, facilities, and equipment;

(11) A course outline for each course for which approval is requested, showing subjects or units in the course, type of work or skill to be learned, and approximate time and clock hours to be spent on each subject or unit; and

(12) Policy and regulations of the institution relative to granting credit for previous educational training.

(c) The appropriate State approving agency may approve the application of such institution when the institution

1 and its nonaccredited courses are found upon investigation
2 to have met the following criteria:

3 (1) The courses, curriculum, and instruction are
4 consistent in quality, content, and length with similar
5 courses in public schools and other private schools in the
6 State, with recognized accepted standards.

7 (2) There is in the institutiton adequate space,
8 equipment, instructional material, and instructor per-
9 sonnel to provide training of good quality.

10 (3) Educational and experience qualifications of
11 directors, administrators, and instructors are adequate.

12 (4) The institution maintains a written record of
13 the previous education and training of the veteran and
14 clearly indicates that appropriate credit has been given
15 by the institution for previous education and training,
16 with the training period shortened proportionately and
17 the veteran and the Administrator so notified.

18 (5) A copy of the course outline, schedule of
19 tuition fees and other charges, regulations pertaining to
20 absences, grading policy, and rules of operation and
21 conduct will be furnished the veteran upon enrollment.

22 (6) Upon completion of training, the veteran is
23 given a certificate by the institution indicating the ap-

1 proved course and indicating that training was satis-
2 factorily completed.

3 (7) Adequate records as prescribed by the State
4 approving agency are kept to show attendance and
5 progress or grades, and satisfactory standards relating
6 to attendance, progress, and conduct are enforced.

7 (8) The institution complies with all local, city,
8 county, municipal, State, and Federal regulations, such
9 as fire codes, building and sanitation codes. The State
10 approving agency may require such evidence of com-
11 pliance as is deemed necessary.

12 (9) The institution is financially sound and capable
13 of fulfilling its commitments for training.

14 (10) The institution does not utilize advertising of
15 any type which is erroneous or misleading, either by
16 actual statement, omission, or intimation. The institu-
17 tion shall not be deemed to have met with this require-
18 ment until the State approving agency (1) has ascer-
19 tained from the Federal Trade Commission whether the
20 Commission has issued an order to the institution to
21 cease and desist from any act or practice, and (2) has,
22 if such an order has been issued, given due weight to
23 that fact.

1 (11) The institution does not exceed its enrollment
2 limitations as established by the State approving agency.

3 (12) The institution's administrators, directors,
4 owners and instructors are of good reputation and
5 character.

6 (13) The institution has and maintains a policy for
7 the refund of the unused portion of tuition, fees, and
8 other charges in the event the student fails to enter the
9 course or withdraws or is discontinued therefrom at any
10 time prior to completion and such policy must pro-
11 vide that the amount charged to the student for
12 tuition, fees, and other charges for a portion of the course
13 shall not exceed the approximate pro rata portion of the
14 total charges for tuition, fees, and other charges that the
15 length of the completed portion of the course bears to
16 its total length.

17 (14) Such additional criteria as may be deemed
18 necessary by the State approving agency.

19 NOTICE OF APPROVAL OF COURSES

20 SEC. 605. The State approving agency, upon determin-
21 ing that an educational institution has complied with all the
22 requirements of this Act, will issue a letter to such institution
23 setting forth the courses which have been approved for the
24 purposes of this Act, and will furnish an official copy of such
25 letter and any subsequent amendments to the Administrator.

1 . The letter of approval shall be accompanied by a copy of the
2 catalog or bulletin of the institution, as approved by the State
3 approving agency, and shall contain the following infor-
4 mation:

5 (1) Date of letter and effective date of approval
6 of courses;

7 (2) Proper address and name of the educational
8 institution and identifying each location or separate
9 annex;

10 (3) Authority for approval and conditions of ap-
11 proval, referring specifically to the approved catalog
12 or bulletin published by the educational institution;

13 (4) Name of each course approved;

14 (5) Where applicable, enrollment limitations such
15 as maximum numbers authorized and student-teacher
16 ratio;

17 (6) Signature of responsible official of State ap-
18 proving agency; and

19 (7) Such other provisions as are considered neces-
20 sary by the appropriate State approving agency.

21 DISAPPROVAL OF COURSES AND DISCONTINUANCE OF
22 ALLOWANCES

23 SEC. 606. (a) Any course approved for the purposes
24 of this Act which fails to meet any of the requirements
25 of this Act shall be immediately disapproved by the appro-

1 priate State approving agency. An educational institution
2 or training establishment which has its courses disapproved
3 by a State approving agency will be notified of such dis-
4 approval by a registered letter of notification and a return
5 receipt secured.

6 (b) The Administrator may discontinue the educa-
7 tion and training allowance of any eligible veteran if he
8 finds that the course of education or training in which such
9 veteran is enrolled fails to meet any of the requirements of
10 this Act.

11 (c) Each State approving agency shall notify the Ad-
12 ministrator of each course which it has disapproved under
13 this section. The Administrator shall notify the State ap-
14 proving agency of his disapproval of any educational institu-
15 tion or training establishment under part VII of Veterans
16 Regulation Numbered 1 (a), as amended.

17 TITLE VII—MISCELLANEOUS PROVISIONS

18 AUTHORITY AND DUTIES OF ADMINISTRATOR

19 SEC. 701. (a) The Administrator is authorized to pre-
20 scribe, promulgate, and publish such rules and regulations
21 as are consistent with the provisions of this Act and neces-
22 sary to carry out its purposes. The provisions of section
23 11 of the Act of October 17, 1940, as amended (54 Stat.
24 1193), shall not apply in the case of determinations and

1 decisions of the Administrator with respect to payments
2 authorized by this Act.

3 (b) The Administrator is authorized to accept uncom-
4 pensated services and to enter into contracts or agreements
5 with private or public agencies, or persons, for necessary
6 services, including personal services, as he may deem
7 practicable.

8 (c) The Administrator may arrange for educational
9 and vocational guidance to persons eligible for educa-
10 tion and training under this Act and, if the Administrator
11 requires such educational and vocational guidance, he is au-
12 thorized, in his discretion, to defray, or reimburse the veteran
13 for, his traveling expenses to and from the place of advise-
14 ment. At such intervals as he deems necessary, he shall
15 make available information respecting the need for general
16 education and for trained personnel in the various crafts,
17 trades, and professions: *Provided*, That facilities of other
18 Federal agencies collecting such information shall be utilized
19 to the extent he deems practicable.

20 CONTROL BY AGENCIES OF UNITED STATES

21 SEC. 702. No department, agency, or officer of the
22 United States, in carrying out this Act, shall exercise any
23 supervision or control, whatsoever, over any State approv-
24 ing agency, State educational agency, or State apprentice-

1 ship agency, or any educational institution or training es-
2 tablishment: *Provided*, That nothing in this section shall
3 be deemed to prevent any department, agency, or officer of
4 the United States from exercising any supervision or con-
5 trol which such department, agency, or officer is author-
6 ized, by existing provisions of law, to exercise over any Fed-
7 eral educational institution or training establishment, or to
8 prevent the furnishing of education or training under this
9 Act in any institution or establishment over which super-
10 vision or control is exercised by such other department,
11 agency, or officer under authority of existing provisions of
12 law.

13 CONFLICTING INTERESTS

14 SEC. 703. (a) Every officer or employee of the Vet-
15 erans' Administration or of the Office of Education, who has,
16 while such an officer or employee, owned any interest in, or
17 received any wages, salary, dividends, profits, gratuities, or
18 services from, any educational institution operated for profit
19 in which an eligible veteran was pursuing a course of educa-
20 tion or training under this Act shall be immediately dismissed
21 from his office or employment.

22 (b) If the Administrator finds that any person who is
23 an officer or employee of a State approving agency has,
24 while he was such an officer or employee, owned any interest

1 in, or received any wages, salary, dividends, profits, gratui-
2 ties, or services from, an educational institution operated for
3 profit in which an eligible veteran was pursuing a course
4 of education or training under this Act, he shall discontinue
5 making payments under section 505 to such State approving
6 agency unless such agency shall, without delay, take such
7 steps as may be necessary to terminate the employment of
8 such person and such payments shall not be resumed while
9 such person is an officer or employee of the State approving
10 agency.

11 (c) A State approving agency shall not approve any
12 course offered by an educational institution operated for
13 profit and, if any such course has been approved, shall disap-
14 prove each such course, if it finds that any officer or employee
15 of the Veterans' Administration, the Office of Education, or
16 the State approving agency owns an interest in, or receives
17 any wages, salary, dividends, profits, gratuities, or services
18 from, such institution.

19 (d) The Administrator may waive the application of
20 this section in the case of any officer or employee of the
21 Veterans' Administration, of the Office of Education, or of a
22 State approving agency if he finds that no detriment will
23 result to the United States or to eligible veterans by reason
24 of such connection.

REPORTS BY INSTITUTIONS

1

2 SEC. 704. Educational institutions and training estab-
3 lishments shall, without delay, report to the Administrator
4 in the form prescribed by him, the enrollment, interruption,
5 and termination of the education or training of each eligible
6 veteran enrolled therein under this Act.

7

OVERPAYMENTS TO VETERANS

8 SEC. 705. In any case where it is found by the Ad-
9 ministrator that an overpayment has been made to a veteran
10 as the result of (1) the willful or negligent failure of the
11 educational institution or training establishment to report,
12 as required by this Act and applicable regulations, to the
13 Veterans' Administration excessive absences from a course,
14 or discontinuance or interruption of a course by the veteran
15 or (2) false certification by the educational institution or
16 training establishment, the amount of such overpayment
17 shall constitute a liability of such institution or establish-
18 ment, and may be recovered in the same manner as any
19 other debt due the United States: *Provided*, That any
20 amount so collected shall be reimbursed if the overpayment
21 is recovered from the veteran. This provision shall not
22 preclude the imposition of any civil or criminal action under
23 this or any other statute.

EXAMINATION OF RECORDS

1

2 SEC. 706. The records and accounts of educational in-
3 stitutions and training establishments pertaining to eligible
4 veterans who received education or training under this Act
5 shall be available for examination by duly authorized repre-
6 sentatives of the Government.

7

FALSE OR MISLEADING STATEMENTS

8 SEC. 707. The Administrator shall not make any pay-
9 ments under this Act to any person found by him to have will-
10 fully submitted any false or misleading claims. In each case
11 where the Administrator finds that an educational institution
12 or training establishment has willfully submitted a false or
13 misleading claim, or where a veteran, with the complicity
14 of an educational institution or training establishment, has
15 submitted such a claim, he shall make a complete report of the
16 facts of the case to the appropriate State approving agency.

17

CRIMINAL PENALTIES AND FORFEITURES

18

SEC. 708. Whoever knowingly and willfully—

19

20

21

22

23

(1) makes or presents any false, fictitious, or
fraudulent affidavit, declaration, certificate, voucher,
endorsement, or paper or writing purporting to be such,
concerning any claim for payment under this Act, or
pertaining to any matter arising under this Act,

1 (2) makes or presents any paper required under
2 this Act which paper bears a date subsequent to that
3 upon which it was actually signed or acknowledged by
4 the claimant,

5 (3) certifies falsely that the declarant, affiant, or
6 witness named in such affidavit, declaration, voucher,
7 endorsement, or other paper or writing personally ap-
8 peared before him and was sworn thereto, or acknowl-
9 edged the execution thereof, or

10 (4) accepts and converts to his own use payments
11 for any period during which he was not actually pur-
12 suing a course of education or training under this Act
13 for which period payment was made,

14 shall forfeit all rights, claims, and benefits under this Act and
15 under Public Law 2, Seventy-third Congress, as amended,
16 and upon conviction, shall be fined not more than \$1,000
17 or imprisoned not more than one year, or both. Any person
18 not subject to the forfeiture provisions of this section who
19 violates this section shall be fined not more than \$10,000 or
20 imprisoned not more than five years, or both.

21 APPLICATION OF OTHER LAWS

22 SEC. 708. The provisions of Public Law Numbered 262,
23 Seventy-fourth Congress, approved August 12, 1935 (49
24 Stat. 607) , as amended, and the provisions of titles II and III
25 of Public Law Numbered 844, Seventy-fourth Congress,

1 approved June 29, 1936, as amended, shall be for application
2 under this Act.

3 WAIVER OF RECOVERY OF OVERPAYMENTS

4 SEC. 709. There shall be no recovery of payments of
5 education and training allowance made under this Act from
6 any person who, in the judgment of the Administrator, is
7 without fault on his part and where, in the judgment of the
8 Administrator, such recovery would defeat the purpose of
9 benefits otherwise authorized or would be against equity and
10 good conscience. No disbursing officer or certifying officer
11 shall be held liable for any amount paid to any person where
12 the recovery of such amount is waived under this section.

13 INFORMATION FURNISHED BY FEDERAL TRADE COMMISSION

14 SEC. 710. The Federal Trade Commission shall keep all
15 State approving agencies advised of any information coming
16 to its attention which would be of assistance to such agencies
17 in carrying out their duties under this Act.

18 EFFECTIVE DATE

19 SEC. 711. This Act shall take effect on the date of its
20 enactment, except that no education and training allowance
21 shall be paid for any period prior to September 1, 1952.

A BILL

To provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress.

By Mr. TEAGUE

APRIL 30, 1952

Referred to the Committee on Veterans' Affairs

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued May 19, 1952

For actions of May 16, 1952

82nd-2nd, No. 84

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: Senate committee reported bill to continue rural-housing program. Senate debated immigration bill. House committee reported Ft. Reno land transfer bill. Rep. McCormack inserted President's speech at USDA honor awards program. House received appropriation estimate for USDA flood rehabilitation.

SENATE

- 1. HOUSING.** The Banking and Currency Committee reported with amendments S. 3066, to authorize additional appropriations for housing (S. Rept. 1582). Chairman Maybank explained the bill and inserted a compilation showing the language changes in existing law. The bill extends the rural-housing program for 1 additional year and authorizes appropriation of \$100,000,000 for loans, \$2,000,000 for contributions, and \$10,000,000 for special loans and grants to carry out this program. The bill also includes additional authorizations for FIA insurance, community facilities, direct defense housing, Alaska housing, etc. (pp. 5380-6.)
- 2. IMMIGRATION.** Continued debate on S. 2550, to revise the immigration and naturalization laws (pp. 5401-9, 5413-21).
- 3. RUBBER.** Passed with amendments H. R. 6737, to extend the Rubber Act of 1948. The House version extends the Act for 2 years, and the Senate version extends it for 1 year. Senate conferees were appointed. (p. 5401.)
- 4. NOMINATION.** The Banking and Currency Committee favorably reported the nomination of Henry H. Fowler to be Defense Production Administrator (p. 5422).
- 5. EXPENDITURES; PRICE CONTROL.** Sen. Robertson spoke in favor of economy in Government expenditures and price-wage control (p. 5388).
- 6. RECLAMATION.** Received from the Interior Department a proposed bill to authorize the Eklutna project, Alaska; to Interior and Insular Affairs Committee (p. 5380).

7. TRADE AGREEMENTS. Received the Tariff Commission's annual report on operations under the trade-agreements law (p. 5380).

8. RECESSED until Mon., May 19 (pp. 5422-3).

HOUSE

9. PUBLIC LANDS. The Interior and Insular Affairs Committee reported with amendment H. R. 1631, to transfer Ft. Reno lands to Indians (H. Rept. 1935)(p. 5479).

10. VETERANS' BENEFITS. The Veterans' Affairs Committee reported with amendment H. R. 7656, the Korean veterans' G. I. bill. See Digest 82 for provisions. (H. Rept. 1943.)(p. 5479.)

11. SOCIAL SECURITY. The Ways and Means Committee reported with amendment H. R. 7800, to increase old-age and survivors' insurance benefits and to increase the amount of earnings permitted without loss of social security benefits (H. Rept. 1944)(pp. 5478-80).

12. APPROPRIATIONS. Received a \$20,000,000 budget estimate for the fiscal year 1949 for flood rehabilitation by SCS and PMA (H. Doc. 469)(p. 5479).

13. HONOR AWARDS. Rep. McCormack inserted President Truman's address at USDA's 6th annual honor awards program (pp. 5474-5).

14. ADJOURNED until Mon., May 19 (p. 5479). LEGISLATIVE PROGRAM for this week, as announced by the Majority Leader: Mon., consent calendar, social security, mineral leasing; Tues., private calendar, urgent deficiency appropriation bill, and possibly mutual security bill; balance of week, mutual security bill (p. 5470).

BILLS INTRODUCED

15. EXPENDITURES; TAXATION. S. J. Res. 155, by Sen. Taft (for himself and Sen. Ferguson), to limit Government expenditures, other than for military activities and interest on the public debt, to 5% of the national income; to Judiciary Committee. Remarks of Sen. Taft. (pp. 5410-11.)

16. BUDGETING. H. R. 7888, by Rep. Colner, to amend the Legislative Reorganization Act of 1946 to provide for more effective evaluation of the fiscal requirements of the executive agencies of the Government of the United States; to Rules Committee (p. 5480).

17. POSTAL RATES. H. R. 7889, by Rep. Hagen, to exempt publications of religious, educational, scientific, philanthropic, agricultural, labor, veterans, and fraternal organizations or associations from the minimum rate of postage prescribed by law for each individually addressed copy of publications entered as second-class matter; to Post Office and Civil Service Committee (p. 5480).

18. CONSTRUCTION CONTRACTS. H. R. 7891, by Rep. Lane, to prescribe policy and procedure in connection with construction contracts made by executive agencies; to Judiciary Committee (p. 5480).

19. PRICE SUPPORTS. H. R. 7893, by Rep. Mansfield, to amend the Agricultural Act of 1949; to Agriculture Committee (p. 5480). Remarks of author (pp. A3163-9.)

EDUCATION AND TRAINING AND OTHER BENEFITS FOR PERSONS SERVING IN THE ARMED FORCES ON OR AFTER JUNE 27, 1950

MAY 16, 1952.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

MR. RANKIN, from the Committee on Veterans' Affairs, submitted the
following

REPORT

[To accompany H. R. 7656]

The Committee on Veterans' Affairs, to whom was referred the bill (H. R. 7656) to provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date, as shall be fixed by the President or the Congress, having considered the same, report favorably thereon with an amendment and recommend that the bill, as amended, do pass.

The amendment is as follows:

Strike out all after the enacting clause and insert the following:

TITLE I—SHORT TITLE AND STATEMENT OF POLICY

SHORT TITLE

SEC. 101. This Act may be cited as the "Veterans' Readjustment Assistance Act of 1952".

STATEMENT OF POLICY

SEC. 102. The Congress of the United States hereby declares that the veterans' education and training program created by this Act is for the purpose of providing vocational readjustment and restoring lost educational opportunities to those service men and women whose educational or vocational ambitions have been interrupted or impeded by reason of active service in the Armed Forces during a period of national emergency and for the purpose of aiding such persons in attaining the educational and training status which they might normally have aspired to and obtained had they not served their country; and that the home, farm, and business-loan benefits, the old-age and survivors insurance credits, the mustering out payments, and the employment assistance provided for by this Act are for the purpose of assisting in the readjustment of such persons from military to civilian life.

TITLE II—EDUCATIONAL AND VOCATIONAL ASSISTANCE

PART I—DEFINITIONS

SEC. 201. For the purposes of this title—

(1) the term "basic service period" means the period beginning on June 27, 1950, and ending on such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress;

(2) the term "eligible veteran" means any person who is not in the active service in the Armed Forces and who—

(A) has served in the active service in the Armed Forces at any time during the basic service period,

(B) has been discharged or released from such active service under conditions other than dishonorable, and

(C) has served in the active service in the Armed Forces for ninety days or more (exclusive of any period he was assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians, or as a cadet or midshipman at one of the service academies), or has been discharged or released from active service by reason of an actual service-incurred injury or disability;

(3) the term "program of education or training" means any single unit course or subject, any curriculum, or any combination of unit courses or subjects, which is generally accepted as necessary to fulfill requirements for the attainment of a predetermined and identified educational, professional, or vocational objective;

(4) the term "course" means an organized unit of subject matter in which instruction is offered within a given period of time or which covers a specific amount of related subject matter for which credit toward graduation or certification is usually given;

(5) the term "dependent" means—

(A) a child (as defined in paragraph VI of Veterans Regulation Numbered 10, as amended) of an eligible veteran,

(B) a parent (as defined in paragraph VII of Veterans Regulation Numbered 10, as amended) of an eligible veteran, if the parent is in fact dependent upon the veteran, and

(C) the wife of an eligible veteran, or, in the case of an eligible veteran who is a woman, her husband if he is in fact dependent upon the veteran;

(6) the term "educational institution" means any public or private elementary school, secondary school, vocational school, correspondence school, business school, junior college, teachers college, college, normal school, professional school, university, scientific or technical institution, or other institution furnishing education for adults;

(7) the term "training establishment" means any business or other establishment providing apprenticeship or other training on the job, including those under the supervision of a college or university or any State department of education, or any State apprenticeship agency, or any State board of vocational education, or any apprentice council, or the Bureau of Apprenticeship established in accordance with Public Law 308, Seventy-fifth Congress, or any agency of the Federal Government authorized to supervise such training;

(8) the term "Armed Forces" means the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard of the United States;

(9) the term "State" means the several States, the Territories and possessions of the United States, and the District of Columbia;

(10) the term "Administrator" means the Administrator of Veterans' Affairs; and

(11) the term "Commissioner" means the United States Commissioner of Education.

PART II—ELIGIBILITY

ENTITLEMENT TO EDUCATION OR TRAINING GENERALLY

SEC. 211. Each eligible veteran shall, subject to the provisions of this title, be entitled to the education or training provided under this title.

COMMENCEMENT; TIME LIMITATIONS

SEC. 212. (a) No eligible veteran shall be entitled to initiate a program of education or training under this title after September 1, 1954, or after 2 years after his discharge or release from active service, whichever is later.

(b) The program of education and training of an eligible veteran under this title shall, on and after the delimiting date for the veteran to initiate his program, be pursued continuously until completion except that an eligible veteran may suspend the pursuit of his program for periods of not more than 12 consecutive months, and may suspend the pursuit of such program for longer periods if the Administrator finds that the suspension for each such period was due to conditions beyond the control of the eligible veteran.

(c) In the event an eligible veteran returns to active service in the Armed Forces during the basic service period, his date of discharge or release shall, for the purposes of this section and section 213, be the date of his discharge or release from his last period of active service which began during the basic service period.

EXPIRATION OF ALL EDUCATION AND TRAINING

SEC. 213. No education or training shall be afforded an eligible veteran under this title beyond seven years after either his discharge or release from active service or the end of the basic service period, whichever is earlier.

DURATION OF VETERAN'S EDUCATION OR TRAINING

SEC. 214. (a) Each eligible veteran shall be entitled to education or training under this title for a period equal to one and a half times the duration of his active service in the Armed Forces during the basic service period (or to the equivalent thereof in part-time training), except that—

(1) in computing the duration of his active service in the Armed Forces, there shall be excluded a period equal to any period he was assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians or as a cadet or midshipman at one of the service academies;

(2) the period of education or training to which an eligible veteran shall be entitled under this title shall not, except as provided in subsection (b), exceed thirty-six months; and

(3) the period of education or training to which an eligible veteran shall be entitled under this title together with education or training received under part VII (Public Law 16, Seventy-eighth Congress, as amended, and Public Law 894, Eighty-first Congress, as amended), or part VIII of Veterans Regulation Numbered 1 (a), as amended, shall not, except as provided in subsection (b), exceed forty-eight months in the aggregate.

(b) Whenever the period of entitlement to education or training under this title of an eligible veteran who is enrolled in an educational institution regularly operated on the quarter or semester system ends during a quarter or semester and after a major part of such semester or quarter has expired, such period shall be extended to the termination of such unexpired quarter or semester. In all other courses offered by educational institutions, whenever the period of eligibility ends after a major portion of the course is completed such period may be extended to the end of the course or for nine weeks, whichever is the lesser period.

(c) In the case of any eligible veteran who is pursuing any program of education or training exclusively by correspondence, one-fourth of the elapsed time in following such program of education or training shall be charged against the veteran's period of entitlement.

PART III—ENROLLMENT

SELECTION OF PROGRAM

SEC. 221. Subject to the provisions of this title, each eligible veteran may select a program of education or training to assist him in attaining an educational, professional, or vocational objective at any educational institution or training establishment selected by him, whether or not located in the State in which he resides, which will accept and retain him as a student or trainee in any field or branch

of knowledge which such institution or establishment finds him qualified to undertake or pursue. In no event, however, may an eligible veteran pursue a program of education or training under this title at an educational institution or training establishment which is not located in a State, except that, the Administrator may approve the pursuit of a program of education or training in the Republic of the Philippines at an approved educational institution or training establishment.

APPLICATIONS; APPROVAL

SEC. 222. Any eligible veteran who desires to initiate a program of education or training under this title shall submit an application to the Administrator which shall be in such form, and contain such information, as the Administrator shall prescribe. The Administrator shall approve such application unless he finds that such veteran is not eligible for or entitled to the education or training applied for or that his program of education or training fails to meet any of the requirements of this title, or that the eligible veteran is already qualified, by reason of previous education and training, for the educational, professional, or vocational objective for which the courses of the program of education or training are offered. The Administrator shall notify the eligible veteran of the approval or disapproval of his application.

CHANGE OF PROGRAM

SEC. 223. (a) Subject to the provisions of section 222, each eligible veteran may, at any time prior to the end of the period during which he is entitled to initiate a program of education or training under this title, make not more than one change of program of education or training.

(b) Each eligible veteran, who has not made a change of program of education or training before the expiration of the period during which he is entitled to initiate a program of education or training under this title, may make not more than one change of program of education or training with the approval of the Administrator. The Administrator shall approve such a change if he finds that—

(1) the eligible veteran is not making satisfactory progress in his present program and that the failure is not due to his own misconduct, his own neglect, or his own lack of application, and if the program to which the eligible veteran desires to change is more in keeping with his aptitude or previous education and training; or

(2) the program to which the eligible veteran desires to change, while not a part of the program currently pursued by him, is a normal progression from such program.

AVOCATIONAL AND RECREATIONAL COURSES

SEC. 224. (a) The Administrator shall not approve the enrollment of an eligible veteran in any bartending course, dancing course, or personality development course.

(b) The Administrator shall not approve the enrollment of an eligible veteran—

(1) in any photography course, entertainment course, or any flight training course pursued as a hobby or which the Administrator finds to be avocational or recreational in character, or

(2) in any music course—instrumental or vocal—public speaking course, or course in sports or athletics such as horseback riding, swimming, fishing, skiing, golf, baseball, tennis, bowling, sports officiating, or other sport or athletic courses, except courses of applied music, physical education, or public speaking which are offered by institutions of higher learning for credit as an integral part of a program leading to an educational objective, or

(3) in any other type of course which the Administrator finds to be avocational or recreational in character;

unless the eligible veteran submits justification showing that the course will be of bona fide use in the pursuit of his present or contemplated business or occupation.

DISCONTINUANCE FOR UNSATISFACTORY PROGRESS

SEC. 225. The Administrator shall discontinue the education and training allowance of an eligible veteran if, at any time, he finds that, according to the regularly prescribed standards and practices of the educational institution or training establishment, the conduct or progress of such veteran is unsatisfactory.

MINIMUM NUMBER OF NONVETERAN STUDENTS REQUIRED

SEC. 226. The Administrator shall not approve the enrollment of any eligible veteran, not already enrolled, in any nonaccredited course below the college level offered by a proprietary profit or proprietary nonprofit educational institution for any period during which the Administrator finds that more than three-fourths of the students enrolled in the course are having all or any part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration under part VII or part VIII of Veterans Regulation Numbered 1 (a) or this title.

PERIOD OF OPERATION FOR APPROVAL

SEC. 227. (a) The Administrator shall not approve the enrollment of an eligible veteran in any course offered by an educational institution when such course has been in operation for less than two years.

(b) Subsection (a) shall not apply to—

(1) any course to be pursued in a public or other tax-supported educational institution;

(2) any course which is offered by an educational institution which has been in operation for more than two years, if such course is similar in character to the instruction previously given by such institution; or

(3) any course which has been offered by an institution for a period of more than two years, notwithstanding the institution has moved to another location within the same general locality.

INSTITUTIONS LISTED BY ATTORNEY GENERAL

SEC. 228. The Administrator shall not approve the enrollment of, or payment of an education and training allowance to, any eligible veteran in any course in an educational institution or training establishment while it is listed by the Attorney General under section 3 of part III of Executive Order 9835, as amended.

PART IV—PAYMENTS TO VETERANS

EDUCATION AND TRAINING ALLOWANCE

SEC. 231. (a) The Administrator shall pay to each eligible veteran who is pursuing a program of education or training under this title, and who applies therefor, an education and training allowance to meet in part the expenses of his subsistence, tuition, fees, supplies, books, and equipment.

(b) The education and training allowance for an eligible veteran shall be paid, as provided in section 232, only for the period of the veterans' enrollment as approved by the Administrator, but no allowance shall be paid—

(1) to any veteran enrolled in a course approved under section 253 or a course of institutional on-farm training for any period when the veteran is not pursuing his course in accordance with the regularly established policies and regulations of the institution and the requirements of this title,

(2) to any veteran enrolled in a course approved under section 254 or in a course of apprentice or other training on the job for any day of absence in excess of thirty days in a twelve-month period, not counting as absences weekends or legal holidays established by Federal or State law during which the institution or establishment is not regularly in session or operation, or

(3) to any veteran pursuing his program of education exclusively by correspondence for any period during while no lessons were serviced by the institution.

(c) No education and training allowance shall be paid to an eligible veteran for any period until the Administrator shall have received—

(1) from the eligible veteran (A) in the case of an eligible veteran enrolled in a course approved under section 253 or a course of institutional

on-farm training, a certification that he was actually enrolled in and pursuing the course as approved by the Administrator, or (B) in the case of an eligible veteran enrolled in a course approved under section 254 or a course of apprentice or other training on the job, a certification as to actual attendance during such period, or (C) in the case of an eligible veteran enrolled in a program of education or training by correspondence, a certification as to the number of lessons actually completed by the veteran and serviced by the institution, and

(2) from the educational institution or training establishment, a certification, or an endorsement on the veteran's certificate, that such veteran was enrolled in and pursuing a course of education or training during such period, and, in the case of an institution furnishing education or training to a veteran exclusively by correspondence, a certification, or an endorsement on the veteran's certificate, as to the number of lessons completed by the veteran and serviced by the institution.

Education and training allowances shall, insofar as practicable, be paid within twenty days after receipt by the Administrator of the certifications required by this subsection.

COMPUTATION OF EDUCATION AND TRAINING ALLOWANCES

SEC. 232. (a) The education and training allowance of an eligible veteran who is pursuing a program of education or training in an educational institution and is not entitled to receive an education and training allowance under subsection (b), (c), (d), (e), or (f) shall be computed as follows:

(1) If such program is pursued on a full-time basis, such allowance shall be computed at the rate of \$110 per month, if the veteran has no dependent, or at the rate of \$150 per month, if he has one or more dependents.

(2) If such program is pursued on a three-quarters time basis, such allowance shall be computed at the rate of \$80 per month, if the veteran has no dependent, or at the rate of \$110 per month, if he has one or more dependents.

(3) If such program is pursued on a half-time basis, such allowance shall be computed at the rate of \$50 per month, if the veteran has no dependent, or at the rate of \$70 per month, if he has one or more dependents.

(b) The education and training allowance of an eligible veteran who is pursuing a full-time program of education and training which consists of institutional courses and on-the-job training, with the on-the-job training portion of the program being strictly supplemental to the institutional portion, shall be computed at the rate of (1) \$90 per month, if he has no dependent, or (2) \$120 per month, if he has one or more dependents.

(c) The education and training allowance of an eligible veteran pursuing apprentice or other training on the job shall be computed at the rate of (1) \$70 per month, if he has no dependent, or (2) \$95 per month, if he has one or more dependents; except that his education and training allowance shall be reduced at the end of each four-month period as his program progresses by an amount which bears the same ratio to the basic education and training allowance as four months bears to the total duration of his apprentice or other training on the job; but in no case shall the Administrator pay an education and training allowance under this subsection in an amount which, when added to the compensation to be paid to the veteran, in accordance with his approved training program, for productive labor performed as a part of his course, would exceed the rate of (1) \$225 per month, if he has no dependent, or (2) \$300 per month, if he has one or more dependents. For the purpose of computing allowances under this subsection, the duration of the training of an eligible veteran shall be the period specified in the approved application as the period during which he may receive an education and training allowance for such training, plus such additional period, if any, as is necessary to make the number of months of such training a multiple of four.

(d) The education and training allowance of an eligible veteran pursuing institutional on-farm training shall be computed at the rate of (1) \$95 per month, if he has no dependent, or (2) \$120 per month, if he has one or more dependents; except that his education and training allowance shall be reduced at the end of each four-month period as his program progresses by an amount which bears the same ratio to \$65 per month, if the veteran has no dependent, or \$90 per month, if he has one or more dependents, as four months bears to the total duration of such veteran's institutional on-farm training. For the purpose

of computing allowances under this subsection, the duration of the training of an eligible veteran shall be the period specified in the approved application as the period during which he may receive an education and training allowance for such training, plus such additional period, if any, as is necessary to make the number of such months of such training a multiple of four.

(e) The education and training allowance of an eligible veteran pursuing a program of education or training exclusively by correspondence shall be computed on the basis of the established charge which the institution requires non-veterans to pay for the course or courses pursued by the eligible veteran. Such allowance shall be paid quarterly on a pro rata basis for the lessons completed by the veteran and serviced by the institution, as certified by the institution.

(f) The education and training allowance of an eligible veteran who is pursuing a program of education or training under this title in an educational institution on a less-than-half-time basis shall be computed at the rate of (1) the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same course to pay, or (2) \$110 per month for a full-time course, whichever is the lesser.

(g) Each eligible veteran who is pursuing an approved course of flight training shall be paid an education and training allowance to be computed at the rate of 75 per centum of the established charge which similarly circumstanced non-veterans enrolled in the same flight course are required to pay for tuition for the course. If such veteran's program of education or training consists exclusively of flight training, he shall not be paid an education and training allowance under one of the preceding subsections of this section; if his program of education or training consists of flight training and other education or training, the allowance payable under this subsection shall be in addition to any education and training allowance payable to him under one of the preceding subsections of this section for education or training other than flight training. Such allowance shall be paid monthly upon receipt of certification from the eligible veteran and the institution as to the actual flight training received by the veteran. In each such case the eligible veteran's period of entitlement shall be charged (in addition to any charge made against his entitlement by reason of education or training other than flight training) with one day for each \$1.25 which is paid to the veteran as an education and training allowance for such course.

(h) No eligible veteran shall be paid an education and training allowance under this title for any period during which (1) he is enrolled in and pursuing a course of education or training paid for by the United States under any provision of law other than this title, where the payment of such allowance would constitute a duplication of benefits paid to the veteran from the Federal Treasury, or (2) he is pursuing a course of apprentice or other training on the job, a course of institutional on-farm training, or a course of education and training described in subsection (b), on a less than full-time basis.

FULL-TIME COURSES

SEC. 233. (a) For the purposes of this title, (1) an institutional trade or technical course offered on a clock-hour basis below the college level involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of thirty hours per week of attendance is required with not more than two and one-half hours of rest periods per week allowed, (2) an institutional course offered on a clock-hour basis below the college level in which theoretical or class room instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction is required, and (3) an institutional undergraduate course offered by a college or university on a quarter or semester-hour basis for which credit is granted toward a standard college degree shall be considered a full-time course when a minimum of fourteen semester hours or its equivalent is required.

(b) The Administrator shall define full-time training in the case of all types of courses of education or training other than institutional on-farm training and the types of courses referred to in subsection (a).

OVERCHARGES BY EDUCATIONAL INSTITUTIONS

SEC. 234. The Administrator shall, if he finds that an institution has charged or received from any eligible veteran any amount in excess of the established charges for tuition and fees which the institution requires similarly circumstanced non-veterans enrolled in the same course to pay, disapprove such educational

institution for the enrollment of any veteran not already enrolled therein, except that, in the case of a tax-supported public educational institution which does not have established charges for tuition and fees which it requires nonveteran residents to pay, such institution may charge and receive from each eligible veteran who is a resident an amount equal to the estimated cost of teaching personnel and supplies for instruction attributable to such veteran, but in no event to exceed the rate of \$31 per month for a full-time course.

PART V—STATE APPROVING AGENCIES

DESIGNATION

SEC. 241. (a) The chief executive of each State is requested to create or designate a State department of agency as the "State approving agency" for his State for the purposes of this title.

(b) (1) In the event the chief executive of any State fails or declines to create or designate a State approving agency, the provisions of this title which refer to the State approving agency shall, with respect to such State, be deemed to refer to the Commissioner.

(2) In the case of courses subject to approval by the Commissioner under section 242, the provisions of this title which refer to a State approving agency shall be deemed to refer to the Commissioner.

APPROVAL OF COURSES

SEC. 242. (a) An eligible veteran shall receive the benefits of this title while enrolled in a course of education or training offered by an educational institution or training establishment only if such course is approved by the State approving agency for the State where such educational institution or training establishment is situated or by the Commissioner. Approval of courses by State approving agencies shall be in accordance with the provisions of this title and such other regulations and policies as the State approving agency may adopt. Each State approving agency shall furnish the Administrator with a current list of educational institutions and training establishments, specifying courses which it has approved, and, in addition to such list, it shall furnish such other information to the Administrator as it and the Administrator may determine to be necessary to carry out the purposes of this title. Each State approving agency shall notify the Administrator of the disapproval of any course previously approved and shall set forth the reasons for such disapproval.

(b) The Commissioner shall be responsible for the approval of courses of education or training offered—by any agency of the Federal Government authorized under other laws to supervise such education or training. The Commissioner may approve any course in any other educational institution or training establishment in accordance with the provisions of this title.

COOPERATION

SEC. 243. (a) The Administrator and each State approving agency shall take cognizance of the fact that definite duties, functions, and responsibilities are conferred upon the Administrator and each State approving agency under the veterans' educational programs. To assure that such programs are effectively and efficiently administered, the cooperation of the Administrator and the State approving agencies is essential. It is necessary to establish an exchange of information pertaining to activities of educational institutions and training establishments, and particular attention should be given to the enforcement of approval standards, enforcement of wage and income limitations, enforcement of enrollment restrictions, and fraudulent and other criminal activities on the part of persons connected with educational institutions and training establishments in which veterans are enrolled under this title.

(b) The Administrator will furnish the State approving agencies with copies of such Veterans' Administration informational material as may aid them in carrying out this title.

USE OF OFFICE OF EDUCATION AND OTHER FEDERAL AGENCIES

SEC. 244. (a) In carrying out his function under this title, the Administrator may utilize the facilities and services of any other Federal department or agency. The Administrator shall utilize the services of the Office of Education in developing cooperative agreements between the Administrator and State and local agencies relating to the approval of courses of education or training as provided for in section 245, in reviewing the plan of operations of State approving agencies under such agreement, and in rendering technical assistance to such State and local agencies in developing and improving policies, standards, and legislation in connection with their duties under this title.

(b) Any such utilization shall be pursuant to proper agreement with the Federal department or agency concerned; and payment to cover the cost thereof shall (except in the case of the Office of Education) be made either in advance or by way of reimbursement, as may be provided in such agreement. Funds necessary to enable the Office of Education to carry out its functions under this title are authorized to be appropriated directly to such Office.

REIMBURSEMENT OF EXPENSES

SEC. 245. The Administrator is authorized to enter into contracts or agreements with State and local agencies to pay such State and local agencies for reasonable and necessary expenses of salary and travel incurred by employees of such agencies in (1) rendering necessary services in ascertaining the qualifications of educational institutions and training establishments for furnishing courses of education or training to eligible veterans under this title and in the supervision of such educational institutions and training establishments, and (2) furnishing at the request of the Administrator, any other services in connection with this title. Each such contract or agreement shall be conditioned upon compliance with the standards and provisions of this title.

PART VI—APPROVAL OF COURSES OF EDUCATION AND TRAINING

APPRENTICE OR OTHER TRAINING ON THE JOB

SEC. 251. (a) Apprentice or other training on the job shall consist of courses offered by training establishments whenever such courses of training are furnished in accordance with the provisions of this section. Any training establishment desiring to furnish a course of apprentice or other training on the job shall submit to the appropriate State approving agency a written application setting forth the course of training for each job for which an eligible veteran is to be trained. The written application covering the course of training shall include the following:

(1) Title and description of the specific job objective for which the eligible veteran is to be trained;

(2) The length of the training period;

(3) A schedule listing various operations for major kinds of work or tasks to be learned and showing for each, job operations or work, tasks to be performed, and the approximate length of time to be spent on each operation or task;

(4) The wage or salary to be paid at the beginning of the course of training, at each successive step in the course, and at the completion of training;

(5) The entrance wage or salary paid by the establishment to employees already trained in the kind of work for which the veteran is to be trained; and

(6) The number of hours of supplemental related instruction required.

(b) The appropriate State approving agency may approve a course of apprentice or other training on the job specified in an application submitted by a training establishment in accordance with subsection (a) if such training establishment is found upon investigation to have met the following criteria:

(1) The training content of the course is adequate to qualify the eligible veteran for appointment to the job for which he is to be trained.

(2) There is reasonable certainty that the job for which the eligible veteran is to be trained will be available to him at the end of the training period.

(3) The job is one in which progression and appointment to the next higher classification are based upon skills learned through organized training on the job and not on such factors as length of service and normal turn-over.

(4) The wages to be paid the eligible veteran for each successive period of training are not less than those customarily paid in the training establishment and in the community to a learner in the same job who is not a veteran.

(5) The job customarily requires a period of training of not less than three months and not more than two years of full-time training, except that this provision shall not apply to apprentice training.

(6) The length of the training period is no longer than that customarily required by the training establishment and other training establishments in the community to provide an eligible veteran with the required skills, arrange for the acquiring of job knowledge, technical information, and other facts which the eligible veteran will need to learn in order to become competent on the job for which he is being trained.

(7) Provision is made for related instruction for the individual eligible veteran who may need it.

(8) There is in the training establishment adequate space, equipment, instructional material, and instructor personnel to provide satisfactory training on the job.

(9) Adequate records are kept to show the progress made by each eligible veteran toward his job objective.

(10) Appropriate credit is given the eligible veteran for previous training and job experience, whether in the military service or elsewhere, his beginning wage adjusted to the level to which such credit advances him and his training period shortened accordingly and provision is made for certification by the training establishment that such credit has been granted and the beginning wage adjusted accordingly. No course of training will be considered bona fide if given to an eligible veteran who is already qualified by training and experience for the job objective.

(11) A signed copy of the training agreement for each eligible veteran, including the training program and wage scale as approved by the State approving agency, is provided to the veteran and to the Administrator and the State approving agency by the employer.

(12) Upon completion of the course of training furnished by the training establishment the eligible veteran is given a certificate by the employer indicating the length and type of training provided and that the eligible veteran has completed the course of training on the job satisfactorily.

(13) That the course meets such other criteria as may be established by the State approving agency.

INSTITUTIONAL ON-FARM TRAINING

SEC. 252. (a) An eligible veteran shall be entitled to the benefits of this title while enrolled in a course of full-time institutional on-farm training which has been approved by the appropriate State approving agency in accordance with the provisions of this section.

(b) The State approving agency may approve a course of institutional on-farm training when it satisfies the following requirements:

(1) The course combines organized group instruction in agricultural and related subjects of at least two hundred hours per year (and of at least eight hours each month) at an educational institution, with supervised work experience on a farm or other agricultural establishment.

(2) The eligible veteran will perform a part of such course on a farm or other agricultural establishment under his control.

(3) The course is developed with due consideration to the size and character of the farm or other agricultural establishment on which the eligible veteran will receive his supervised work experience and to the need of such eligible veteran, in the type of farming for which he is training, for proficiency in planning, producing, marketing, farm mechanics, conversation of resources, food conservation, farm financing, farming management, and the keeping of farm and home accounts.

(4) The eligible veteran will receive not less than one hundred hours of individual instruction per year, not less than fifty hours of which shall be on such farm or other agricultural establishment (with at least two visits by the instructor to such farm each month). Such individual instruction shall be given by the instructor responsible for the veteran's institutional instruction and shall include instruction and home-study assignments in the preparation of budgets, inventories, and statements showing the production, use on the farm, and sale of crops, livestock, and livestock products.

(5) The eligible veteran will be assured of control of such farm or other agricultural establishment (whether by ownership, lease, management agreement, or other tenure arrangement) until the completion of his course.

(6) Such farm or other agricultural establishment shall be of a size and character which (A) will, together with the group-instruction part of the course, occupy the full time of the eligible veteran, (B) will permit instruction in all aspects of the management of the farm or other agricultural establishment of the type for which the eligible veteran is being trained, and will provide the eligible veteran an opportunity to apply to the operation of his farm or other agricultural establishment the major portion of the farm practices taught in the group instruction part of the course, and (C) will assure him a satisfactory income for a reasonable living under normal conditions at least by the end of his course.

(7) Provision shall be made for certification by the institution and the veteran that the training offered does not repeat or duplicate training previously received by the veteran.

(8) The institutional on-farm training meets such other fair and reasonable standards as may be established by the State approving agency.

APPROVAL OF ACCREDITED COURSES

SEC 253. (a) A State approving agency may approve the courses offered by an educational institution when—

(1) such courses have been accredited and approved by a nationally recognized accrediting agency or association;

(2) credit for such course is approved by the State department of education for credit toward a high school diploma;

(3) such courses are conducted under the Act of February 23, 1917, as amended (39 Stat. 927), or the Vocational Education Act of 1946; or

(4) such courses are accepted by the State department of education for credit for a teacher's certificate or a teacher's degree.

For the purposes of this title the Commissioner shall publish a list of nationally recognized accredited agencies and associations which he determines to be reliable authority as to the quality of training offered by an educational institution and the State approving agencies may, upon concurrence, utilize the accreditation of such accrediting associations or agencies for approval of the courses specifically accredited and approved by such accrediting association or agency. In making application for approval, the institution shall transmit to the State approving agency copies of its catalog or bulletin.

(b) As a condition to approval under this section, the State approving agency must find that adequate records are kept by the educational institution to show the progress of each eligible veteran. The State approving agency must also find that the educational institution maintains a written record of the previous education and training of the veteran and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the veteran and the Administrator so notified.

APPROVAL OF NON-ACCREDITED COURSES

SEC. 254. (a) No course of education or training (other than a course of institutional on-farm training) which has not been approved by a State approving agency pursuant to section 253, which is offered by a public or private, profit or nonprofit, educational institution shall be approved for the purposes of this title unless the educational institution offering such course submits to the appropriate State approving agency a written application for approval of such course in accordance with the provisions of this title.

(b) Such application shall be accompanied by not less than two copies of the current catalog or bulletin which is certified as true and correct in content and policy by an authorized owner or official and includes the following:

- (1) Identifying data, such as volume number and date of publication;
- (2) Names of the institution and its governing body, officials and faculty;
- (3) A calendar of the institution showing legal holidays, beginning and ending date of each quarter, term, or semester, and other important dates;
- (4) Institution policy and regulations on enrollment with respect to enrollment dates and specific entrance requirements for each course;
- (5) Institution policy and regulations relative to leave, absences, class cuts, make-up work, tardiness and interruptions for unsatisfactory attendance;
- (6) Institution policy and regulations relative to standards or progress required of the student by the institution (this policy will define the grading system of the institution, the minimum grades considered satisfactory, conditions for interruption for unsatisfactory grades or progress and a description of the probationary period, if any, allowed by the institution, and conditions of reentrance for those students dismissed for unsatisfactory progress. A statement will be made regarding progress records kept by the institution and furnished the student);
- (7) Institution policy and regulations relating to student conduct and conditions for dismissal for unsatisfactory conduct;
- (8) Detailed schedule of fees, charges for tuition, books, supplies, tools, student activities, laboratory fees, service charges, rentals, deposits, and all other charges;
- (9) Policy and regulations of the institution relative to the refund of the unused portion of tuition, fees, and other charges in the event the student does not enter the course or withdraws or is discontinued therefrom;
- (10) A description of the available space, facilities, and equipment;
- (11) A course outline for each course for which approval is requested, showing subjects or units in the course, type of work or skill to be learned, and approximate time and clock hours to be spent on each subject or unit; and
- (12) Policy and regulations of the institution relative to granting credit for previous educational training.

(c) The appropriate State approving agency may approve the application of such institution when the institution and its nonaccredited courses are found upon investigation to have met the following criteria:

- (1) The courses, curriculum, and instruction are consistent in quality, content, and length with similar courses in public schools and other private schools in the State, with recognized accepted standards.
- (2) There is in the institution adequate space, equipment, instructional material, and instructor personnel to provide training of good quality.
- (3) Educational and experience qualifications of directors, administrators, and instructors are adequate.
- (4) The institution maintains a written record of the previous education and training of the veteran and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the veteran and the Administrator so notified.
- (5) A copy of the course outline, schedule of tuition, fees, and other charges, regulations pertaining to absences, grading policy, and rules of operation and conduct will be furnished the veteran upon enrollment.
- (6) Upon completion of training, the veteran is given a certificate by the institution indicating the approved course and indicating that training was satisfactorily completed.
- (7) Adequate records as prescribed by the State approving agency are kept to show attendance and progress or grades, and satisfactory standards relating to attendance, progress, and conduct are enforced.
- (8) The institution complies with all local, city, county, municipal, State, and Federal regulations, such as fire codes, building and sanitation codes. The State approving agency may require such evidence of compliance as is deemed necessary.

(9) The institution is financially sound and capable of fulfilling its commitments for training.

(10) The institution does not utilize advertising of any type which is erroneous or misleading, either by actual statement, omission, or intimation. The institution shall not be deemed to have met this requirement until the State approving agency (1) has ascertained from the Federal Trade Commission whether the Commission has issued an order to the institution to cease and desist from any act or practice, and (2) has, if such an order has been issued, given due weight to that fact.

(11) The institution does not exceed its enrollment limitations as established by the State approving agency.

(12) The institution's administrators, directors, owners and instructors are of good reputation and character.

(13) The institution has and maintains a policy for the refund of the unused portion of tuition, fees, and other charges in the event the student fails to enter the course or withdraws or is discontinued therefrom at any time prior to completion and such policy must provide that the amount charged to the student for tuition, fees, and other charges for a portion of the course shall not exceed the approximate pro rata portion of the total charges for tuition, fees, and other charges that the length of the completed portion of the course bears to its total length.

(14) Such additional criteria as may be deemed necessary by the State approving agency.

NOTICE OF APPROVAL OF COURSES

SEC. 255. The State approving agency, upon determining that an educational institution has complied with all the requirements of this title, will issue a letter to such institution setting forth the courses which have been approved for the purposes of this title, and will furnish an official copy of such letter and any subsequent amendments to the Administrator. The letter of approval shall be accompanied by a copy of the catalog or bulletin of the institution, as approved by the State approving agency, and shall contain the following information:

(1) date of letter and effective date of approval of courses;

(2) proper address and name of each educational institution or training establishment;

(3) authority for approval and conditions of approval, referring specifically to the approved catalog or bulletin published by the educational institution;

(4) name of each course approved;

(5) where applicable, enrollment limitations such as maximum numbers authorized and student-teacher ratio;

(6) signature of responsible official of State approving agency; and

(7) such other fair and reasonable provisions as are considered necessary by the appropriate State approving agency.

DISAPPROVAL OF COURSES AND DISCONTINUANCE OF ALLOWANCES

SEC. 256. (a) Any course approved for the purposes of this title which fails to meet any of the requirements of this title shall be immediately disapproved by the appropriate State approving agency. An educational institution or training establishment which has its courses disapproved by a State approving agency will be notified of such disapproval by a registered letter of notification and a return receipt secured.

(b) The Administrator may discontinue the education and training allowance of any eligible veteran if he finds that the course of education or training in which such veteran is enrolled fails to meet any of the requirements of this title or if he finds that the educational institution or training establishment offering such course has violated any provision of this title or fails to meet any of its requirements.

(c) Each State approving agency shall notify the Administrator of each course which it has disapproved under this section. The Administrator shall notify the State approving agency of his disapproval of any educational institution or training establishment under part VII of Veterans Regulation Numbered 1 (a), as amended.

PART VII—MISCELLANEOUS PROVISIONS

AUTHORITY AND DUTIES OF ADMINISTRATOR

SEC. 261. (a) The Administrator is authorized to prescribe, promulgate, and publish such rules and regulations as are consistent with the provisions of this title and necessary to carry out its purposes. Notwithstanding the provisions of section 11 of the Act of October 17, 1940, as amended (54 Stat. 1193), payments under this title shall be subject to audit and review by the General Accounting Office as provided by the Budget and Accounting Act of 1921, as amended, and the Budget and Accounting Procedures Act of 1950.

(b) The Administrator is authorized to accept uncompensated services and to enter into contracts or agreements with private or public agencies, or persons, for necessary services, incident to the administration of this title, including personal services, as he may deem practicable.

(c) The Administrator may arrange for educational and vocational guidance to persons eligible for education and training under this title and, if the Administrator requires such educational and vocational guidance, he is authorized, in his discretion, to defray, or reimburse the veteran for, his traveling expenses to and from the place of advisement. At such intervals as he deems necessary, he shall make available information respecting the need for general education and for trained personnel in the various crafts, trades, and professions: *Provided*, That facilities of other Federal agencies collecting such information shall be utilized to the extent he deems practicable.

ADVISORY COMMITTEE

SEC. 262. The Administrator shall form an advisory committee which shall be composed of persons who are eminent in the field of education and are representative of the various types of institutions and establishments furnishing education and training to veterans enrolled under this title. The Commissioner shall be an ex officio member of the advisory committee. The Administrator shall advise and consult with the committee from time to time with respect to the administration of this title and the committee may make such reports and recommendations as it deems desirable to the Administrator and to the Congress.

CONTROL BY AGENCIES OF UNITED STATES

SEC. 263. No department, agency, or officer of the United States, in carrying out this title, shall exercise any supervision or control, whatsoever, over any State approving agency, State educational agency, or State apprenticeship agency, or any educational institution or training establishment: *Provided*, That nothing in this section shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or control which such department, agency, or officer is authorized, by existing provisions of law, to exercise any Federal educational institution or training establishment, or to prevent the furnishing of education or training under this title in any institution or establishment over which supervision or control is exercised by such other department, agency, or officer under authority of existing provisions of law.

CONFLICTING INTERESTS

SEC. 264. (a) Every officer or employee of the Veterans' Administration or of the Office of Education, who has, while such an officer or employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or services from, any educational institution operated for profit in which an eligible veteran was pursuing a course of education or training under this title shall be immediately dismissed from his office or employment.

(b) If the Administrator finds that any person who is an officer or employee of a State approving agency has, while he was such an officer or employee, owned any interest in or received any wages, salary, dividends, profits, gratuities, or services from, an educational institution operated for profit in which an eligible veteran was pursuing a course of education or training under this title, he shall discontinue making payments under section 245 to such State approving agency unless such agency shall, without delay, take such steps as may be necessary to terminate the employment of such person and such payments shall not be re-

sumed while such person is an officer or employee of the State approving agency, or State Department of Veterans' Affairs or State Department of Education.

(c) A State approving agency shall not approve any course offered by an educational institution operated for profit and, if any such course has been approved, shall disapprove each such course, if it finds that any officer or employee of the Veterans' Administration, the Office of Education, or the State approving agency owns an interest in, or receives any wages, salary, dividends, profits, gratuities, or services from, such institution.

REPORTS BY INSTITUTIONS

SEC. 265. Educational institutions and training establishments shall, without delay, report to the Administrator in the form prescribed by him, the enrollment, interruption, and termination of the education or training of each eligible veteran enrolled therein under this title.

OVERPAYMENTS TO VETERANS

SEC. 266. In any case where it is found by the Administrator that an overpayment has been made to a veteran as the result of (1) the willful or negligent failure of the educational institution or training establishment to report, as required by this title and applicable regulations, to the Veterans' Administration excessive absences from a course, or discontinuance or interruption of a course by the veteran or (2) false certification by the educational institution or training establishment, the amount of such overpayment shall constitute a liability of such institution or establishment, and may be recovered in the same manner as any other debt due the United States: *Provided*, That any amount so collected shall be reimbursed if the overpayment is recovered from the veteran. This provision shall not preclude the imposition of any civil or criminal action under this or any other statute.

EXAMINATIONS OF RECORDS

SEC. 267. The records and accounts of educational institutions and training establishments pertaining to eligible veterans who received education or training under this title shall be available for examination by duly authorized representatives of the Government.

FALSE OR MISLEADING STATEMENTS

SEC. 268. The Administrator shall not make any payments under this title to any person found by him to have willfully submitted any false or misleading claims. In each case where the Administrator finds that an educational institution or training establishment has willfully submitted a false or misleading claim, or where a veteran, with the complicity of an educational institution or training establishment, has submitted such a claim, he shall make a complete report of the facts of the case to the appropriate State approving agency and where deemed advisable to the Attorney General of the United States for appropriate action.

CRIMINAL PENALTIES AND FORFEITURES

SEC. 269. Whoever knowingly and willfully—

(1) makes or presents any false, fictitious, or fraudulent affidavit, declaration, certificate, voucher, endorsement, or paper or writing purporting to be such, concerning any claim for payment under this title, or pertaining to any matter arising under this title,

(2) makes or presents any paper required under this title on which paper a date other than the date upon which it was actually signed or acknowledged by the claimant has been willfully inserted,

(3) certifies falsely that the declarant, affiant, or witness named in such affidavit, declaration, voucher, endorsement, or other paper or writing personally appeared before him and was sworn thereto, or acknowledged the execution thereof, or

(4) accepts and converts to his own use payments for any period during which he was not actually pursuing a course of education or training under this title for which period payment was made,

shall forfeit all rights, claims, and benefits under this title and under Public

Law 2, Seventy-third Congress, as amended, and, upon conviction, shall be fined not more than \$500 or imprisoned not more than six months, or both. Any person not subject to the forfeiture provisions of this section who violates this section shall be fined not more than \$5,000 or imprisoned not more than three years, or both.

APPLICATION OF OTHER LAWS

SEC. 270. The provisions of Public Law Numbered 262, Seventy-fourth Congress, approved August 12, 1935 (49 Stat. 607), as amended, and the provisions of titles II and III of Public Law Numbered 844, Seventy-fourth Congress, approved June 29, 1936, as amended, shall be for application under this title.

WAIVER OF RECOVERY OF OVERPAYMENTS

SEC. 271. There shall be no recovery of payments of education and training allowance made under this title from any person who, in the judgment of the Administrator, is without fault on his part and where, in the judgment of the Administrator, such recovery would defeat the purpose of benefits otherwise authorized or would be against equity and good conscience. No disbursing officer or certifying officer shall be held liable for any amount paid to any person where the recovery of such amount is waived under this section.

INFORMATION FURNISHED BY FEDERAL TRADE COMMISSION

SEC. 272. The Federal Trade Commission shall keep all State approving agencies advised of any information coming to its attention which would be of assistance to such agencies in carrying out their duties under this title.

EFFECTIVE DATE

SEC. 273. This title shall take effect on the date of its enactment, except that no education and training allowance shall be paid for any period prior to September 1, 1952.

TITLE III—LOANS

PERSONS ELIGIBLE FOR LOANS

SEC. 301. Subsection (a) of section 500 of the Servicemen's Readjustment Act of 1944, as amended, is amended—

(1) by inserting after "war" in the first sentence the following: "or at any time on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution or the Congress,";

(2) by inserting before the period at the end of the first sentence the following: "Provided, That any person who is eligible for the benefits of this title by virtue of active service prior to June 27, 1950, or is the owner of property acquired through benefits accruing for prior service, shall not be eligible for additional benefits under this title by reason of active service on or after June 27, 1950: *Provided further*, That any guaranty entitlement used prior to reentry into service as to which the Administrator has incurred no loss and is no longer subject to contingent liability shall be restored to any veteran separated from the service after June 27, 1950"; and

(3) by inserting after "war" in the third sentence the following: "and any loan to a veteran eligible by virtue of active service on or after June 27, 1950, if made within ten years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress,".

POWER OF ADMINISTRATOR TO EXAMINE LOANS

SEC. 302. Section 500 of the Servicemen's Readjustment Act of 1944, as amended, is amended by adding at the end thereof the following new subsection:

"(f) Notwithstanding the provisions in this title respecting automatically guaranteed loans, the Administrator may at any time upon thirty days' notice require loans to be made by any lender or class of lenders to be submitted for prior approval, and no guaranty or insurance liability shall exist in respect to such loans unless evidence of guaranty or insurance is issued by the Administrator."

ADDITIONAL REQUIREMENT FOR GUARANTEED LOANS

SEC. 303. Section 501 (a) (2) of the Servicemen's Readjustment Act of 1944, as amended, is amended by inserting after "expenses" the following: ", and the veteran is a satisfactory credit risk."

STANDARDS OF PLANNING AND CONSTRUCTION; WARRANTIES; SUBSTANTIAL DEFICIENCIES IN HOUSING

SEC. 304. Section 504 of the Servicemen's Readjustment Act of 1944, as amended, is amended by striking out subsection (b) and inserting in lieu thereof the following new subsections:

"(b) No loan for the purchase or construction of residential property on which construction is begun subsequent to sixty days from the date the Veterans' Readjustment Assistance Act of 1952 becomes effective shall be financed through the assistance of the provisions of this title unless the property meets or exceeds minimum requirements for planning, construction, and general acceptability prescribed by the Administrator: *Provided*, That subsection 504 (b) as originally enacted shall continue to be applicable to construction begun prior to the end of such sixty-day period: *Provided further*, That this subsection shall not apply to a loan for the purchase of residential property the construction of which was completed more than one year prior to the making of such loan.

"(c) The seller of a newly constructed dwelling unit which is sold for initial occupancy to any person who meets the eligibility requirements of section 500 (a) or section 1506 of this Act, as amended, with the aid of financing guaranteed or insured by an agency or instrumentality of the Federal Government, and such other person as may be required by such agency or instrumentality to become warrantor, shall be deemed to have expressly warranted to such purchaser that the dwelling is constructed in substantial conformity with the plans and specifications on which such agency or instrumentality based its valuation of the unit or its commitment to guarantee or insure a loan to finance the construction or purchase of such unit. Such warranty shall apply only with respect to failures of performances as to which the purchaser has given written notice to the warrantor within one year from the date of initial occupancy.

"(d) The Administrator shall have the right to refuse to appraise any dwelling or housing project owned, sponsored, or to be constructed by any persons identified with housing previously sold to veterans under this title as to which substantial deficiencies have been discovered, or as to which there has been a failure or indicated inability to discharge contractual liabilities to veterans, or as to which it is ascertained that the type of contract of sale or the methods or practices pursued in relation to the marketing of such properties were unfair or unduly prejudicial to veteran purchasers."

ELIGIBILITY FOR LOANS TO REFINANCE EXISTING LIABILITY

SEC. 305. Section 507 (1) of the Servicemen's Readjustment Act of 1944, as amended, is amended by inserting before the semicolon at the end thereof the following: "or in the case of a veteran eligible by virtue of active service on or after June 27, 1950, not later than ten years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress."

EXPIRATION OF AUTHORITY TO MAKE DIRECT LOANS

SEC. 306. Section 512 (b) of the Servicemen's Readjustment Act of 1944, as amended, is amended by striking out "(D)" and inserting in lieu thereof "(C)" and by inserting before the period at the end thereof the following: ", except that if a commitment to make such a loan was issued by the Administrator prior to that date the loan may be completed subsequent to such date".

REFUSAL TO GUARANTEE OR INSURE LOANS IN CERTAIN CASES

SEC. 307. Title III of the Servicemen's Readjustment Act of 1944, as amended, is amended by adding at the end thereof the following new section:

"SEC. 514. Whenever the Administrator finds with respect to loans guaranteed or insured under this title that any lender or holder has failed to maintain adequate loan accounting records, or to demonstrate proper ability to service loans adequately or to exercise proper credit judgment or has willfully or

negligently engaged in practices otherwise detrimental to the interest of veterans or of the Government, he may refuse either temporarily or permanently to guarantee or insure any loans made by such lender or holder or bar such lender or holder from acquiring loans guaranteed or insured under this title: *Provided*, That the Administrator shall not refuse to pay a guarantee on loans theretofore entered into in good faith between the veteran and the lending institution."

TITLE IV—OLD-AGE AND SURVIVORS INSURANCE

WAGE CREDITS FOR VETERANS OF KOREAN CONFLICT

SEC. 401. (a) Section 217 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(e) (1) For purposes of determining entitlement to and the amount of any monthly benefit or lump-sum death payment payable under this title on the basis of the wages and self-employment income of any veteran of active military or naval service on or after June 27, 1950, such veteran shall be deemed to have been paid wages (in addition to the wages, if any, actually paid to him) of \$160 in each month during any part of which he served in the active military or naval service of the United States on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress. This subsection shall not be applicable in the case of any monthly benefit or lump-sum death payment if—

"(A) a larger such benefit or payment, as the case may be, would be payable without its application; or

"(B) a benefit (other than a benefit payable in a lump sum unless it is a commutation of, or a substitute for, periodic payments which is based, in whole or in part, upon the active military or naval service of such veteran on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, is determined by any agency or wholly owned instrumentality of the United States (other than the Veterans' Administration) to be payable by it under any other law of the United States or under a system established by such agency or instrumentality.

The provisions of clause (B) shall not be applicable in the case of any monthly benefit or lump-sum death payment under this title if its application would reduce the primary insurance amount (as computed under section 215 prior to any recomputation thereof pursuant to subsection (f) of such section) of the individual on whose wages and self-employment income such benefit or payment is based by \$0.50 or less.

"(2) Upon application for benefits or a lump-sum death payment on the basis of the wages and self-employment income of any veteran of active military or naval service on or after June 27, 1950, the Federal Security Administrator shall make a decision without regard to clause (B) of paragraph (1) of this subsection unless he has been notified by some other agency or instrumentality of the United States that, on the basis of the military or naval service of such veteran on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, a benefit described in clause (B) of paragraph (1) has been determined by such agency or instrumentality to be payable by it. If he has not been so notified, the Federal Security Administrator shall then ascertain whether some other agency or wholly owned instrumentality of the United States has decided that a benefit described in clause (B) of paragraph (1) is payable by it. If any such agency or instrumentality has decided, or thereafter decides, that such a benefit is payable by it, it shall so notify the Federal Security Administrator, and the Administrator shall certify no further benefits for payment or shall recompute the amount of any further benefits payable, as may be required by paragraph (1) of this subsection.

"(3) Any agency or wholly owned instrumentality of the United States which is authorized by any law of the United States to pay benefits, or has a system of benefits which are based, in whole or in part, on military or naval service on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, shall, at the request of the Federal Security Administrator, certify to him, with respect to any veteran of active military or naval service on or after June 27, 1950,

such information as the Administrator deems necessary to carry out his functions under paragraph (2) of this subsection.

"(4) There are hereby authorized to be appropriated to the Trust Fund from time to time, as benefits which include service to which this subsection is applicable become payable under this title, such sums as the Administrator estimates to be necessary to meet the additional costs, resulting from this subsection, of such benefits (including lump-sum death payments). Such estimates shall be arrived at through the use of appropriate accounting, statistical, sampling, or other methods.

"(5) For the purposes of this subsection, the term 'veteran' means any individual who served in the active military or naval service of the United States at any time on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, and who, if discharged or released therefrom, was so discharged or released under conditions other than dishonorable after active service of ninety days or more or by reason of a disability or injury incurred or aggravated in service in line of duty; but such term shall not include any individual who died while in the active military or naval service of the United States if his death was inflicted (other than by an enemy of the United States) as lawful punishment for a military or naval offense."

(b) Section 205 (o) of such Act is amended by striking out "section 217 (a)" and inserting in lieu thereof "subsection (a) or (e) of section 217".

(c) (1) The amendments made by subsections (a) and (b) shall be applicable only with respect to monthly benefits under section 202 of the Social Security Act for months after, and with respect to lump-sum death payments in the case of deaths occurring after, the month following the month in which this Act is enacted, except that, in the case of any individual who is entitled, on the basis of the wages and self-employment income of any individual to whom section 217 (e) of the Social Security Act applies, to monthly benefits under such section 202 for the month following the month in which this Act is enacted, such amendments shall be applicable (A) only if an application for recomputation by reason of the amendments is filed by such individual, or any other individual, entitled to benefits under such section 202 on the basis of such wages and self-employment income, and (B) only with respect to such benefits for months after whichever of the following is the later: the first month following the month in which this Act is enacted or the seventh month before the month in which such application was filed. Recomputations of benefits as required to carry out the provisions of this paragraph shall be made notwithstanding the provisions of section 215 (f) (1) of the Social Security Act; but no such recomputation shall be regarded as a recomputation for purposes of section 215 (f) of the Social Security Act.

(2) In the case of any veteran (as defined in section 217 (e) (5) of the Social Security Act) who died prior to the enactment of this Act, the time within which proof of support may be filed under subsection (f) or (h) of section 202 of the Social Security Act shall be two years after the date of enactment of this Act.

LUMP-SUM DEATH PAYMENTS FOR REINTERMENT OF DECEASED VETERANS

SEC. 402.(a) Section 101 (d) of the Social Security Act Amendments of 1950 is amended by changing the period at the end thereof to a comma and adding: "and except that in the case of any individual who died outside the forty-eight States and the District of Columbia, on or after June 27, 1950, and prior to September 1950, whose death occurred while he was in the active military or naval service of the United States, and who is returned to any of such States, the District of Columbia, Alaska, Hawaii, Puerto Rico, or the Virgin Islands for interment or reinterment, the last sentence of section 202 (g) of the Social Security Act as in effect prior to the enactment of this Act shall not prevent payment to any person under the second sentence thereof if application for a lump-sum death payment under such section with respect to such deceased individual is filed by or on behalf of such person (whether or not legally competent) prior to the expiration of two years after the date of such interment or reinterment."

(b) In the case of any individual who died outside the forty-eight States and the District of Columbia after August 1950 and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the

Congress, whose death occurred while he was in the active military or naval service of the United States, and who is returned to any of such States, the District of Columbia, Alaska, Hawaii, Puerto Rico, or the Virgin Islands for interment or reinterment, the last sentence of section 202 (i) of the Social Security Act shall not prevent payment to any person under the second sentence thereof if application for a lump-sum death payment with respect to such deceased individual is filed under such section by or on behalf of such person (whether or not legally competent) prior to the expiration of two years after the date of such interment or reinterment.

TITLE V—MUSTERING-OUT PAYMENTS

ELIGIBILITY FOR PAYMENTS

SEC. 501. Mustering-out pay as provided in this title is designed to be in lieu of any provision for unemployment insurance or readjustment (unemployment) allowances except that it is not the purpose to impair any rights to unemployment insurance which may be afforded under existing laws.

SEC. 502. (a) Except as provided in subsection (b) of this section, each member of the Armed Forces who shall have been engaged in active service on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, and who is discharged or relieved from active service under honorable conditions shall be eligible to receive mustering-out payment.

(b) No mustering-out payment shall be made to—

(1) any member of the Armed Forces who, at the time of discharge or relief from active service, is in a pay grade higher than O-3;

(2) any member of the Armed Forces who is retired or separated therefrom under provisions of law other than title IV of the Career Compensation Act of 1949;

(3) any member of the Armed Forces for any active service performed prior to the date of his discharge or relief from active service on his own initiative to accept employment or, in the case of any member so relieved from active service, for any active service performed prior to the date of his discharge while in such inactive status, unless he has served outside the continental limits of the United States or in Alaska;

(4) any member of the Armed Forces whose total period of service has been as a student assigned by the Armed Forces in a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians;

(5) any member of the Armed Forces for any active service performed prior to the date of his discharge from such forces for the purpose of entering the United States Military Academy, the United States Naval Academy, or the United States Coast Guard Academy;

(6) any member of the Armed Forces whose sole service has been as a cadet at the United States Military Academy or the United States Coast Guard Academy, or as a midshipman at the United States Naval Academy, or in a preparatory school after nomination as a principal, alternate, or candidate for admission to any of said Academies; and

(7) any commissioned officer unless he is discharged or relieved from active service within three years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress.

DETERMINATION OF PAYMENTS

SEC. 503. (a) Mustering-out payment for persons eligible under section 502 shall be in sums as follows:

(1) \$300 for persons who, having performed active service for sixty days or more, have served outside the continental limits of the United States or in Alaska.

(2) \$200 for persons who, having performed active service for sixty days or more, have served no part thereof outside the continental limits of the United States or in Alaska.

(3) \$100 for persons who have performed active service for less than sixty days.

(b) Each person eligible to receive mustering-out payment under subsection (a) (1) shall receive one-third of the stipulated amount at the time of final discharge or ultimate relief from active service or, at the option of the person so eligible, at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces; and the remaining amount of such payment shall be paid in two equal installments—one month and two months, respectively, from the date of the original payment. Each person eligible to receive mustering-out payment under subsection (a) (2) shall receive one-half of the stipulated amount at the time of final discharge or ultimate relief from active service or, at the option of the person so eligible, at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces; and the remaining amount of such payment shall be paid one month from the date of the original payment. Each person eligible to receive mustering-out payment under subsection (a) (3) shall receive the stipulated amount at the time of such discharge or relief from active service or, at the option of the person so eligible, at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces. A person entitled to receive the first installment of the mustering-out payment at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces shall, at his election, receive the whole of such payment in one lump sum, rather than in installments.

TIME LIMITATIONS

SEC. 504. Any member of the Armed Forces entitled to mustering-out payment who shall have been discharged or relieved from active service under honorable conditions before the effective date of this title shall, if application therefor is made within two years after the date of enactment of this title, be paid such mustering-out payment by the Department of the Army, Navy, or Air Force, or the Treasury Department, as the case may be, beginning within one month after application has been received and approved by such department. No member of the Armed Forces shall receive mustering-out payment under this title more than once, and such payment shall accrue and the amount thereof shall be computed as of the time of discharge for the purpose of effecting a permanent separation from the service or of ultimate relief from active service or, at the option of such member, for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces.

DECEASED MEMBERS

SEC. 505. If any member of the Armed Forces, after his discharge or relief from active service, shall die before receiving any portion of or the full amount of his mustering-out payment, the balance of the amount due him shall be payable, on appropriate application therefor, to his surviving spouse, if any; and if he shall leave no surviving spouse, then in equal shares to his child or children, if any; and if he shall leave no surviving spouse or child or children, then in equal shares to his surviving parents, if any. No payment under this title shall be made to any other person.

ADMINISTRATION OF TITLE

SEC. 506. (a) Mustering-out payments due or to become due under this title shall not be assignable and any payments made to or on account of a veteran hereunder shall be exempt from taxation, shall be exempt from the claims of creditors, including any claim of the United States, and shall not be subject to attachment, levy, or seizure by or under any legal or equitable process whatever either before or after receipt by the payee.

(b) The Secretaries of the Army, Navy, Air Force, and Treasury shall make such regulations not inconsistent with this title as may be necessary effectively to carry out the provisions thereof, and their decisions shall be final and not subject to review by any court or other Government official.

(c) The Secretaries of the Army, Navy, Air Force, and Treasury, or such subordinate officers as they may designate, are authorized to make direct payment to survivors over seventeen years of age, and to select a proper person

or persons to whom mustering-out payments may be made for the use and benefit of former active members of the Armed Forces, or survivors thereof, as defined by section 505 hereof, without the necessity of appointment by judicial proceedings of a legal representative of any such former member or such survivors when, in the opinion of the respective Secretaries or their designees, the interests of persons under seventeen years of age so justify, or where the former active member or his survivors is suffering from a mental disability sufficient to make direct payment not in the best interests of such person or persons. Payments made under the provisions of this subsection shall constitute a complete discharge of the obligation of the United States as provided in this title; and the selection of a proper person or persons, as provided herein, and the correctness of the amount due and paid to such person or persons shall have the same finality as that accorded decisions made pursuant to subsection (b). The provisions of this subsection shall not apply where a legal guardian or committee has been judicially appointed, except as to any payments made hereunder prior to the receipt of notice of appointment.

DEFINITIONS

SEC. 507. As used in this title—

(a) The term "spouse" means a lawful wife or husband.

(b) The term "child" includes (1) a legitimate child; (2) a child legally adopted; and (3) a stepchild, if, at the time of death of the member of the Armed Forces, such stepchild was a member of the deceased's household.

(c) The term "parent" includes father and mother, stepfather and stepmother, and father and mother through adoption.

(d) The term "Armed Forces" means the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard of the United States.

TITLE VI—MISCELLANEOUS

JOB COUNSELING AND EMPLOYMENT PLACEMENT

SEC. 601. Section 607 of title IV, Servicemen's Readjustment Act of 1944, as amended (38 U. S. C. 695f), is hereby amended to read as follows:

"Sec. 607. The term 'veteran' as used in this title shall mean a person who served in the active service of the Armed Forces during a period of war in which the United States has been, or is, engaged, or during the period on or after June 27, 1950, and prior to such date as may be thereafter determined by Presidential proclamation or concurrent resolution of the Congress, and who has been discharged or released therefrom under conditions other than dishonorable."

AUTHORIZATION OF APPROPRIATIONS

SEC. 602. There are hereby authorized to be appropriated such sums as may be necessary to carry out this Act.

Amend the title so as to read as follows:

To provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date, as shall be fixed by the President or the Congress, and for other purposes.

HISTORY OF THE LEGISLATION

Within approximately 2 weeks after the start of the Korean conflict on June 27, 1950 (the date the American forces were ordered into action), the chairman of the committee addressed communications to the American Legion, Veterans of Foreign Wars, Disabled American Veterans, AMVETS, Federal Security Administrator, Bureau of the Budget, Veterans' Administrator, National Education Association, and the Association of Land-Grant Colleges and Universities asking for their comments concerning the extension of the benefits provided by the Servicemen's Readjustment Act of 1944 to the veterans of the Korean conflict.

Many valuable replies and suggestions were received which helped set the pattern of this legislation.

The committee had before it House Committee Print No. 210 of the Eighty-first Congress, containing some 200 pages of investigation on the operations of the education and training provisions of the so-called GI bill of rights—a report prepared by the Administrator of Veterans' Affairs. This report showed that numerous abuses had existed in connection with the present law and that any new legislation should be carefully considered with a viewpoint of blocking loopholes which have been shown to exist.

A short time later a message was received from the President which subsequently became House Document No. 466 of the Eighty-first Congress, also citing abuses in connection with this program and giving certain suggestions for standards for profit schools and other features of the program. Many of these suggestions, with modifications, were incorporated in Public Law 610 of the Eighty-first Congress.

On July 20, 1951, the Acting Comptroller General submitted to the chairman of the committee a review by the General Accounting Office of the veterans' education and training program. This was designated House Committee Print No. 160 and contains nearly 200 pages of findings by that agency of the Congress and points up numerous abuses which have grown up under the present program.

In the second session of the Eighty-first Congress a special committee was created by the House Resolution 474 to investigate the education and training program of the Servicemen's Readjustment Act, headed by the Honorable Olin E. Teague. The committee was continued by the Eighty-second Congress by House Resolution 93 and broadened to include the loan-guaranty program of the act. This special committee conducted numerous hearings and performed a real service in pointing out the deficiencies of the present act. In addition to the hearings, the committee filed a full and complete report on the education and training aspects in the form of House Report No. 1375 of the Eighty-second Congress, citing not only the experience under the present law but laying down certain standards which this special committee believed should be followed in the extension of similar benefits to men serving on and after June 27, 1950.

The above record clearly shows that the legislation herewith presented has been the subject of considerable study and investigation.

In regard to this specific proposal, the Committee on Veterans' Affairs has held hearings over a 6-week period in which an opportunity was presented all interested parties to present their views. These hearings resulted in the printing of some 945 pages of testimony and generally covered the period from February 6, 1952, through March 11, 1952. By the conclusion of the hearings, 39 bills had been introduced and presented to the committee, seeking in one way or another to extend education and other benefits to persons who served in the Korean conflict.

Prior to the hearings each Member of Congress was invited to present his or her views to the committee and a number of Members availed themselves of the opportunity. In addition to the Veterans' Administration, testimony was received from representatives of the Department of Defense, Office of Education, General Accounting Office, Bureau of the Budget, American Legion, Veterans of Foreign Wars, Disabled American Veterans, AMVETS, American Council on

Education, American Association of Junior Colleges, Association of Land Grant Colleges, American Vocational Association, National Association of State Approval Agencies, and the representative of certain associations of private schools. In addition to this testimony, several organizations filed statements and suggestions for changes in the administration of this act which were incorporated in the hearings.

Following the completion of the hearings the staff of the committee was directed to proceed with informal conferences with representatives of all interested Government agencies in an effort to draft legislation which would reflect suggestions made during the hearings. To that end the staff conducted a series of round-table conferences with officials of the Veterans' Administration, Bureau of the Budget, General Accounting Office, Office of Education, Housing and Home Finance Agency, Internal Revenue Bureau, Social Security Administration, Treasury Department, Department of Labor, and the Federal Trade Commission. These staff conferences were held on March 12, 13, 18, 19, 20, 21, 24, 26, and 27, and April 2, 3, 4, 16, 17, 21, and 24, 1952.

GENERAL COMMENTS

The committee wishes to emphasize that the bill which is reported is a "one-package deal" which would provide benefits which have not yet been enacted for the Korean veterans in the same general fields in which comparable benefits have previously been granted to veterans of World War II. Thus, besides education and training benefits, the bill provides home, farm, and business loan credit assistance, old-age and survivors' insurance credits, mustering-out payments, and employment assistance.

It should be emphasized that it is the view of the committee that this bill, as indicated in the statement of policy, is an effort and attempt on the part of the committee to provide readjustment assistance for those men who have had their normal civilian life interrupted by reason of their service since the outbreak of fighting in Korea. Under the terms of the bill, any man who served at least 2 years after the date of June 27, 1950, would be entitled to 36 months or three calendar years of education, which means a full 4-year academic period.

The Servicemen's Readjustment Act of 1944 provides 1 day of eligibility for each day of service plus 12 months. This formula is highly favorable to the veteran with a short period of service who in fact had little or no material disruption in his civilian life. A veteran with 91 days' service during World War II was entitled to 15 months of training. This legislation proposes to shift the emphasis on service to the extent that the individuals with longer periods of service and more material disruption of civilian pursuit will be favored. Under the formula provided in this legislation a veteran receives $1\frac{1}{2}$ days of eligibility for education or training for each day of service. Therefore, a person with a relatively short period of service receives a short period of education or training, with the advantage going to the person with longer periods of service. It is emphasized that the bill proposes to restore lost educational opportunity and make it possible for a veteran to obtain education or training which he might normally have obtained had he not served his country during an emergency period.

It cannot be too strongly emphasized that the educational title of the bill is a program for the benefit of the veterans. The committee

is aware of the fact that, of the more than \$3,617,000,000 spent for Federal education programs during the fiscal year 1950, nearly \$3,000,000,000 of it was administered by the Veterans' Administration (vol. 2, pt. 3, Federal Educational Activities and Educational Issue Before Congress, Committee on Education and Labor).

This committee and the Congress in this program is mainly concerned with the veteran and not with any benefit which might flow to schools or others as a result of the enactment of this legislation.

Under the Servicemen's Readjustment Act provision was made for payments of subsistence allowance directly to veterans and for payments by the Federal Government to institutions in behalf of veterans, such payments to cover the costs of tuition, fees, books, supplies, and so forth. This resulted in the Federal Government assuming a contractual relationship with the institutions and entering into direct negotiations with them concerning the charges made in individual cases. Furthermore, the veteran, having no responsibility for the prudent expenditure of such funds, stood in a relationship that was different from other students pursuing the same courses. On the other hand, educational institutions found that additional administrative responsibilities were imposed upon them through the necessity of establishing with the Federal Government the amount that could reasonably be charged for the services to be performed and in vouchering for and receiving payments for such services, in addition to the burden placed upon the Veterans' Administration in the negotiation and settlement of accounts with the institutions. It is obvious that any such system was subject to sharp practices and abuses, and resulted in many cases of benefits flowing to the institution rather than to the veteran.

After thoroughly considering these problems, the committee has decided that the best way to meet them is to provide that no payment shall be made directly to schools, but that, instead, all payments shall be made to the veteran directly, thereby enabling him to deal with the school on the same basis as any other student. The principle of direct payment to the veteran met almost universal approval in the testimony.

It was for that reason that the principle of making direct veteran payments was adopted. This would, in effect, establish a scholarship grant between the veteran and the Federal Government and relieve educational institutions of an agency responsibility which at the best has been time consuming and expensive both for the Government and for individual institutions. It is much better from the standpoint of the veteran, as well as institutions and the Government, that educational institutions devote every available resource of material and energy and time to the improvement of the educational program of the veteran.

The initiative and responsibility factors also influenced greatly the setting of the rates of the educational allowance because it is believed that if the individual has a stake in his own training, it is much more likely that better results will flow from the individual's own desire to see that he receives a dollar's worth of education for each dollar that he spends. In this connection, a recent study made by the Office of Education found that "publicly controlled junior colleges and teacher colleges draw the highest proportion of their students from State residents (96.9 and 94.1, respectively). The publicly controlled universities draw 85.3 of their students from State residents" (Residence and Migration of College Students, 1949-50). This would

seem to indicate that the veteran would go to a school reasonably close to his home and thus would probably benefit through the decreased living costs, as well as special consideration by reason of being a resident of the State in which the school he sought to attend is located. This legislation provides normally 36 months of eligibility for the 2-year period of service and would result in financial benefits of \$4,000 to \$5,400 to the veteran for such service during that period. The tables on page 27 give the latest information on the subject on catalog rates of State universities and land-grant colleges. It is noted that the table shows the average resident student rate (tuition and fees) is \$195 per academic year.

The committee in fixing the rates of allowances has considered, among other things, statistics which disclosed that the average age of veterans who will participate in this program will be considerably less than that of veterans participating in the program following World War II, with the result that a good percentage of these men will return to their homes and will have a considerably lesser degree of financial responsibility. The committee believes that the fact that more than one-half of college students earn a part of their own expenses (and a recent study indicates it may run as high as 7 out of 10), lends further support to the allowances provided.

The committee emphasizes that it is not the intention of this legislation to establish a program which completely subsidizes the cost of a veteran's education or training program, as well as his living costs. This legislation is designed as an aid program and it is expected that in many cases the veteran will be required to make a contribution to the cost of his own education and training program. It is believed that the veteran will maintain a greater interest in the use made of the funds provided by this bill, if he is required to make a contribution from his own resources.

Moreover, it is emphasized that the purpose of the committee is not to equalize educational opportunities for the veteran population, but rather to provide assistance which would help a veteran to follow the educational plan that he might have adopted had he never entered the Armed Forces.

This legislation furthermore insures that the Nation shall be able to utilize the highest skills and abilities of the veterans who benefit from it. This is especially important since at this time the number of young men available to fill the essential technical and professional posts is the lowest in ratio to our total population which we have had or will have for a decade to come. It is doubly essential that we make fullest use of the skills of the young men who are available.

It was brought out in the hearings that during the administration of the present law no formal relationship existed between the Office of Education and the Veterans' Administration for the administration of this large educational undertaking. Several witnesses stressed the importance of utilization of the services of the Office of Education. The committee did consider this point and has included in the bill a plan by which the Office of Education will cooperate with the Veterans' Administration. However, responsibility for administration remains in the Veterans' Administration.

Resident and nonresident tuition and fees per student in land-grant colleges and State universities, 1951-52

Institution	Resident student	Nonresident student	Institution	Resident student	Nonresident student
All institutions listed.....	\$195	\$382	New Mexico A. & M. College ¹	\$164	\$264
Alabama Polytechnic Institute ¹	140	230	University of New Mexico.....	185	385
University of Alabama.....	197	447	Cornell University (New York) ¹	500	600
University of Arizona ¹	106	306	North Carolina State College ¹	277	487
University of Arkansas ¹	170	370	University of North Carolina.....	310	520
University of California ¹	161	461	North Dakota Agricultural College ¹	113	203
Colorado A. & M. College ¹	180	360	University of North Dakota.....	231	310
University of Colorado.....	204	430	Ohio State University ¹	257	477
University of Connecticut ¹	205	455	Oklahoma A. & M. College ¹	135	255
University of Delaware ¹	270	520	University of Oklahoma.....	165	405
University of Florida ¹	100	450	Oregon State College ¹	186	336
University of Georgia ¹	160	360	University of Oregon.....	206	386
University of Idaho ¹	109	259	Pennsylvania State College ¹	241	461
University of Illinois ¹	165	325	University of Rhode Island ¹	228	378
Indiana University.....	121	336	Clemson Agricultural College (South Carolina) ¹	106	276
Purdue University (Indiana) ¹	110	310	University of South Carolina.....	186	350
Iowa State College ¹	138	338	South Dakota State College ¹	174	299
Iowa State University.....	186	296	University of South Dakota.....	163	333
Kansas State College ¹	143	343	University of Tennessee ¹	211	436
University of Kansas.....	173	283	A. & M. College of Texas ¹	119	369
University of Kentucky ¹	134	254	University of Texas.....	131	381
Louisiana State University ¹	141	341	University of Utah.....	195	395
University of Maine ¹	320	480	Utah State Agricultural College ¹	110	215
University of Maryland ¹	306	431	University of Vermont ¹	404	554
Massachusetts Institute of Technology ¹	818	818	University of Virginia.....	283	673
University of Massachusetts ¹	138	438	Virginia Polytechnic Institute ¹	180	330
Michigan State College ¹	164	359	State College of Washington ¹	162	322
University of Michigan.....	167	417	University of Washington.....	226	526
University of Minnesota ¹	197	372	West Virginia University ¹	136	286
Mississippi State College ¹	142	342	University of Wisconsin ¹	173	473
University of Mississippi.....	206	406	University of Wyoming ¹	176	380
University of Missouri ¹	163	313			
Montana State College ¹	125	215			
Montana University.....	132	282			
University of Nebraska ¹	207	367			
University of Nevada ¹	128	328			
University of New Hampshire ¹	257	514			
Rutgers University (New Jersey) ¹	297	432			

¹ Land-grant institution.² No distinction between resident and nonresident.

Source: Catalogs of institutions (Office of Education).

Office of Education—Average income per student from tuition and fees, 1949-50

All institutions.....	\$263.98	All students—Continued	
Publicly controlled.....	169.30	Private universities, colleges, or professional schools.....	\$360.42
Privately controlled.....	362.38	Public teachers colleges.....	153.31
All students.....	263.98	Private teachers colleges.....	318.42
Nonveteran students.....	218.49	Public junior colleges.....	92.48
Veteran students.....	360.28	Private junior colleges.....	415.65
Public universities, colleges, or professional schools.....	187.68		

EXPLANATION OF THE BILL

TITLE I—STATEMENT OF POLICY

Title I gives as a short title of the bill, the "Veterans' Readjustment Assistance Act of 1952." The statement of policy makes clear that the purpose of this proposal is to provide vocational readjustment and to restore lost educational opportunities to those service men and women whose educational and vocational ambitions have been interrupted or impeded by reason of service during the emergency in one of the branches of the Armed Forces. This is the fundamental philosophy underlying the educational provisions of the bill, and it is well to

keep this philosophy in mind in the consideration of such provisions. It further emphasizes that the other programs under the bill are intended to provide readjustment assistance.

TITLE II—EDUCATION ELIGIBILITY

Eligibility is determined by service in the basic service period beginning June 27, 1950, and ending on such date as may be determined by Presidential proclamation or concurrent resolution of the Congress. A discharge or release under conditions other than dishonorable is a prerequisite of eligibility and the proposal is specifically limited to veterans who are not in the active service of one of the branches of the Armed Forces. Thus, a person on active duty could not take education or training so long as he was in the active service of the Armed Forces.

The Armed Forces means, under this title, the Army, Navy, Air Force, Marine Corps, and the Coast Guard. While commissioned personnel of the Public Health Service and the Coast and Geodetic Survey are not specifically included, the committee realizes that they may become eligible for the educational benefits of this bill based on service while they are on transfer or detail to the Armed Forces or while they are in a temporary status which under other laws entitles them to military and veterans' benefits.

The term "dependent" has been defined generally in line with the present definitions under the "GI bill," except there has been added "dependent husband," and the terms "program of education or training," "course," "educational institution," and "training establishment" are all defined in such a manner as to permit ready interpretation in other sections of this title of the bill.

Initiation and completion

Section 212 provides that a program of education and training must be initiated prior to the expiration of 2 years after the veteran's discharge or release or prior to September 1, 1954, whichever is the later. Provision is made under section 213 that no education or training shall be afforded beyond the period of 7 years after the date of discharge or the end of the basic service period, whichever is the earlier. In addition to these time limitations there is a requirement that the program of education or training must be pursued continuously on and after the delimiting date for the veteran to initiate his program, except for interruptions of not more than 12 months' duration or for longer periods when such longer period of interruption is due to reasons beyond the control of the veteran.

There is also a provision in the case of an eligible veteran who returns to active service during the basic service period that the date of his discharge or release for the purpose of the time limitations shall be the date of discharge from his last period of service which began during the basic service period.

Duration of veteran's education or training

The Servicemen's Readjustment Act, as amended, provided for education or training based on the actual service of the veteran plus 1 year, with a maximum of 4 years. Section 214 of this proposal creates the formula of providing the veteran education and training entitlement for a period which equals $1\frac{1}{2}$ times the duration of his active

service. The effect of this formula is to give greatest eligibility to the veteran serving the longest period within the over-all ceiling. For example, if a veteran served 6 months in the Armed Forces he would be entitled to nine calendar months of education or training and if he served 2 years in the Armed Forces he would be entitled to 3 years, or 36 months, of education or training. These months are calendar months and thus, in effect, a veteran serving 2 years could expect to complete a 4-year academic course under the provisions of this bill. The maximum amount of training is set at 36 months. Training under this act in combination with training under the Servicemen's Readjustment Act or Vocational Rehabilitation Act cannot exceed 48 months in the aggregate. In the case of an eligible veteran taking a course of training exclusively by correspondence, one-fourth of the lapsed time in following such a program of education shall be charged against his period of entitlement.

Sections 221 and 222 relate to the selection of a program by the veteran and to the approval of his application by the Administrator of Veterans' Affairs when the other requirements of this title are met. The veteran is entitled to select a program of education or training which shall be approved by the Administrator, unless the Administrator finds that the veteran is already qualified by reason of previous education and training for the educational, professional, or vocational objective for which the courses of the program of education or training are offered. However, courses may be taken only from schools located in the United States, its Territories, and possessions and the Philippines.

One change of program

Under the existing law many complaints have been made, with considerable validity, that some veterans were flitting from one course to another without making any real effort to prepare themselves for an educational, vocational, or professional standing which would enable them to earn a livelihood. Section 223 (a) specifically provides that each veteran may at any time prior to the end of the period during which he is entitled to initiate a program of education make not more than one change of program. For example, a veteran might say that he was going to an institution of higher learning to complete his work toward a bachelor of arts degree, and that at the end of that period he would continue his education toward a master of arts degree specifying in advance that this would constitute his selected program. Such action would not be considered to be a change of program. However, if the veteran indicated at the time of his application that he wished to obtain a bachelor's degree and later, after obtaining such degree, indicated he wished to continue toward a master's degree, this would be considered a change in program. This points up the desirability of the veteran giving careful consideration and receiving careful guidance and advisement concerning his vocational, professional, or educational objective before finally outlining his program of education or training under this act. It is intended that the initiation of an additional program prior to the delimiting date, after completion of a prior program, shall be regarded as a "change of program." The committee believes if this provision is administered liberally and intelligently it provides no real bar to the attainment of any worth-while educational or vocational objective that a veteran may have. It is not intended to count

as a change in program an adjustment in an academic curriculum which does not involve a material loss of credit, as for example, an adjustment in a major or minor subject leading toward the end result of a bachelor of arts degree. On the other hand, it is intended to bar the taking of courses for the obvious purpose of receiving an educational allowance and of continually changing from one program to another without any relation to benefit to be derived by the veteran. Considerable testimony was received on this point and the committee is of the opinion that by limiting the change of program to one change it will be safeguarding the interests of the veteran and at the same time considerably reducing the cost of administration.

If an eligible veteran has had no change of program prior to the delimiting date for initiating a program he could have one change after that date if the Administrator finds that he meets requirements specified in subsection 223 (b).

Avocational and recreational courses

Avocational and recreational courses have been barred under the Servicemen's Readjustment Act for a number of years and this bar has been applied to certain listed courses unless the veteran could submit complete justification that the course would be of bona fide use in the pursuit of his present or contemplated business or occupation. The language of section 224 of this bill follows this general outline except that bartending, dancing, and personality development courses are specifically barred and may not be taken under any circumstances. Certain other courses are listed as being avocational or recreational in character and the Administrator is given authority to find that other courses not specifically mentioned are avocational or recreational. Any of the courses specifically listed or any other courses which are found by the Administrator to be avocational or recreational may be taken where justification is submitted showing that the course will be of bona fide use to the veteran in the pursuit of his present or contemplated business or occupation. In other words, there will be a presumption against this general class of courses which may be overcome in specific individual cases upon the presentation of adequate justification. It is not anticipated that all applications will require screening to determine the question of their possible avocational or recreational content, but only those as to which the question is pertinent.

Nonveteran enrollment—2-year rule

Section 226 requires the Administrator to withhold approval of the enrollment of any eligible veteran in a nonaccredited course below the college level offered by a proprietary profit or proprietary nonprofit educational institution where it is found that more than three-fourths of the students enrolled have their tuition, fees, or other charges paid by the Veterans' Administration or the institution. This, coupled with the requirement in section 227 that a course must have been in operation for at least 2 years, is believed to be a real safeguard to assure sound training for the veteran, at reasonable cost, by seasoned institutions. Had such requirement been in effect during the life of the so-called "GI bill of rights," there is little doubt that considerable savings would have resulted and that much better training would have been realized in many areas.

The 2-year requirement provided in section 227 applies to courses offered by an educational institution but does not apply to courses pursued in a public or tax-supported institution or school, and this phrase is not meant to exclude those schools which may be considered parochial or religious in character whose credits are acceptable for graduation from the public-school system. Provision is also made that the 2-year requirement will not apply to any course which is offered by an educational institution which has been in operation for more than 2 years if the course is similar in character to instruction previously offered. Exception is also made for any course which has been offered by an institution for a period of more than 2 years, notwithstanding the fact that the institution has moved to another location in the same general locality.

Attorney General's list

The Administrator is required, under section 228, not to approve the enrollment or the payment of any education or training allowance to any eligible veteran enrolled in a course in an educational institution or training establishment which is listed by the Attorney General under section 3 of part III of Executive Order No. 9835. This list, referring to institutions of subversive, Communist, or kindred character, is maintained by the Attorney General.

Educational and training allowance

Part IV, entitled "Payments to Veterans," provides for the payment of an education and training allowance to the veteran to meet in part the expenses of subsistence, tuition, fees, supplies, books, and equipment. Under the GI bill of rights the Government paid for tuition, fees, books, supplies, and equipment generally limited in amount to \$500 for a full-time course for an ordinary school year, for any veteran pursuing a course of education or training and a subsistence allowance ranging from \$65 to \$120 per month based upon the number of dependents of the veteran and the type of education or training pursued.

Section 231 provides for payment to the veteran of an allowance to cover all of the items mentioned above and provides that the training allowance shall be paid during the period of the veteran's enrollment, but that in the cases of various nonaccredited courses and courses of apprentice or other training on the job no allowance shall be paid for any day of absence in excess of 30 days during a 12-month period. In computing the 30-day period, legal holidays and week ends in which the institution is not regularly in session would not count as absences. However, vacations such as additional time at Thanksgiving, Christmas, and Easter would be counted in computing the 30 days. This does not grant 30 days' leave to each veteran, as such, but is merely a limit on the number of absences permitted without affecting his allowance. The education and training allowance shall be paid in arrears after the receipt by the Administrator of appropriate certifications by the veteran and the institution or establishment as to attendance or pursuit of a course of education or training and insofar as possible within 20 days after such certification.

Section 232, among other things, sets the amount of the education and training allowance for a full-time institutional program. This is

\$110 a month if a veteran has no dependents, and \$150 if he has dependents. Where the institutional program is pursued on a three-fourths-time basis the rates are \$80, and \$110, respectively, and on a one-half-time basis, the rates are \$50, and \$70.

In those cases where the veteran is pursuing a full-time program of education consisting of institutional courses and strictly supplemental on-the-job training, the rates are set at \$90, and \$120, respectively.

For veterans pursuing institutional on-the-farm training the rates are \$95, and \$120, respectively. In this case, however, the education and training allowance shall be reduced at the end of each 4-month period as the program of institutional on-the-farm training progresses, by an amount which bears the same ratio to \$65 a month if the veteran has no dependents, or \$90 a month if he has dependents, as 4 months bears to the total duration of such veteran's institutional on-the-farm training under this title. By paying the veteran undergoing institutional on-the-farm training directly rather than continuing the present system of payments to the institution of its charges on a contractual basis the general pattern of the bill applicable in other areas is followed here. The mentioned reduction formula emphasizes the concept that the allowance is for supplementary support only and hence, as his earning capacity increases during training the veterans' allowance should be less.

In the case of a veteran taking apprentice or other training on the job, the rates are set at \$70 a month if he has no dependents, and \$95 if he has dependents. The same reduction formula would apply to the apprentice or other training-on-the-job allowances.

With respect to apprentice and other on-job training the bill provides monetary ceilings on the monthly amounts of training allowance, plus wages received as a trainee, which are similar though not identical in amounts to the monetary limitations provided by the existing law. These ceilings would not apply to those taking institutional training as do the ceilings under the present law for the reason that no education or training allowances would be payable for institutional training taken on less than a one-half time basis except in limited amounts representing the cost of tuition and other school charges. It is the view of the committee that the monetary ceilings prescribed are not a test of need for readjustment, but taken together with the 4 months' reduction rule, will effectively prevent the kind of abuses which brought about the ceilings prescribed in the Servicemen's Readjustment Act. Furthermore, it is believed that in an employment situation involving wages in the full amounts specified, the percentage of time devoted to productive employment as distinguished from training justifies the discontinuance of training allowance, thereby placing job training on a more nearly comparable basis with that part-time institutional training for which no training allowance is payable under the other provisions of the bill. It is considered that a general income limitation applicable to all types of education and training is neither necessary nor desirable and would be productive of unwarranted discrimination.

Special courses

In the case of a veteran who desires to take an education or training program in an educational institution on a less than half-time basis

no allowance for subsistence is provided, but provision is made in subsection 232 (f) that the veteran may have paid to him an amount based upon the rate of the established charges for tuition and fees which is required of similarly circumstanced nonveterans enrolled in the same course or at the rate of \$110 per month for a full-time course, whichever is the lesser. Thus, if a man is pursuing a course on a one-fourth time basis the ceiling would be \$27.50 per month. This subsection would afford some assistance to those who are employed but desire to take spare-time courses, including refresher courses, where needed.

Flight training

The subject of allowances for flight training is covered in section 232 (g). Such allowance shall be computed at the rate of 75 percent of the charges required to be paid by similarly circumstanced nonveterans enrolled in the same flight course. A veteran whose program of education or training consists of flight training and other education or training, may, in addition to the allowance for flight training, receive the allowance prescribed for the other education or training. If the veteran's program consists exclusively of flight training he will not receive an allowance under any other provision of the bill. Under this subsection, the period of entitlement of every veteran pursuing flight training will be reduced 1 day for each \$1.25 which is paid to the veteran as an education and training allowance for his flight-training course. This reduction in his entitlement will be in addition to any charge against entitlement made on account of other education or training taken by the veteran; for example, this would permit a veteran to pursue a full-time course in aeronautical engineering in a college and to take flight training as a required part of that course (provided that the flight course is an approved part of the veteran's education and training program), but this entitlement would be charged both for the full-time course of aeronautical engineering and 1 day for each \$1.25 which the veteran is paid as an education and training allowance for the flight course. These payments would be made on a monthly basis upon certification to the Veterans' Administration by the veteran and the institution as to the actual flight training received. The provisions of this section which make it possible for a veteran to pursue flight training under certain circumstances are in no way intended to set aside the concept of the program of education or training defined in section 201.

Bars to duplication of benefits and certain part-time courses

The specific provision is made in subsection 232 (h) that no eligible veteran shall be paid an educational or training allowance for any period for which he is enrolled in and pursuing a course of education or training paid for by the United States under any other provision of law, where the payment would constitute a duplication of benefits paid from the Federal Treasury. This bar is intended to preclude education and training allowance to students who are receiving allowances based upon the pursuit of an entire course of training but is not intended to preclude payments where students receive incidental allowances for specific military assignments such as the ROTC programs of the Army. A bar against payment of any

allowance is also imposed as to a course of apprentice or other training on the job or institutional on-the-farm training or combination institutional and strictly supplemental on-job training where in any such case the course is pursued on less than a full-time basis.

Full-time courses

A full-time course is defined in subsection 233 (a) as follows (1) an institutional trade or technical course below the college level, involving shop practice, where a minimum of 30 hours per week is required with not more than 2½ hours of rest periods allowed; (2) an institutional course on a clock-hour basis below the college level in which theoretical or classroom instruction predominates when a minimum of 25 hours net of instruction per week is required; and (3) an institutional undergraduate college or university course when a minimum of 14 semester hours is required. The Administrator would be authorized by subsection 233 (b) to define full-time training in other types of courses except institutional on-farm training.

Excessive charges

The Administrator is empowered by section 234 to remove from the approved list an institution when a finding is made that the institution has charged the veteran in excess of the established charges for a similarly circumstanced nonveteran and bar future enrollment.

Section 234 makes an exception in the case of a tax supported public educational institution which does not have an established charge for tuition which it requires nonveteran residents to pay. Such an institution may charge and receive from an eligible veteran who is a resident an amount for tuition equal to the estimated cost of teaching personnel and supplies for instruction attributable to such veteran but in no event to exceed the rate of \$31 per month for a full-time course. The education and training allowances provided by this legislation include an amount of \$31 per month which is paid to the veteran for his use in meeting part of the cost of tuition for his course of training. The funds computed in the education and training allowance for tuition purposes are paid to the veteran; however, a charge made by an educational institution of a veteran who receives an education or training allowance should not be construed as a charge against the veteran for tuition, which would conflict with State laws. The payment of an education and training allowance to the veteran from Federal funds is made for the purpose of defrayal of a portion of the cost of the veteran's education. It is intended that the veteran shall make use of those funds included in his allowance for payment to the school for a part of his tuition. In States, such as the State of California, which have laws pertaining to tuition charges for resident nonveteran students, the school now receives a tuition payment directly from the Veterans' Administration for veterans' training under the Servicemen's Readjustment Act of 1944. Provision has been made in this legislation to allow public, tax-supported educational institutions which have no established tuition charge for residents to continue to receive some tuition for the training of veteran resident students under this act. Since an allowance is paid to the veteran specifically for tuition purposes, it is intended that public, tax-supported educational institutions, such as those in the State of California, will be authorized to make a tuition charge based on the cost of teaching personnel and supplies not to exceed the rate of \$31 per month for a full-time course.

State approving agencies

Part V which relates to State approving agencies, in addition to setting forth authority for State approving agencies to approve courses, brings in the concept of utilization of the services of the Office of Education in the administration of this program. Provision is made that where a State fails to designate a State approving agency the Commissioner of Education will approve courses. It is the view of the committee, however, that it should be the goal of the Administrator and the Commissioner to prevent such an occurrence wherever possible. The bill specifically declares that cooperation between the Administrator and the State approving agencies is essential.

Subsection 244 (a) contemplates the use of the facilities and services of other Federal agencies and specifically directs the utilization of the services of the Office of Education in administering appropriate parts of this program. The subsection provides that the Administrator shall utilize the service of the Office (1) in developing cooperative agreements between the Administrator and State and local agencies relating to the approval of courses of education or training; (2) in reviewing the plan of operations of State approving agencies under such arrangements; and (3) in rendering technical assistance to State and local agencies in developing and improving policies, standards, and legislation. It is believed that the Office of Education can render a significant educational service especially in assisting the Administrator in developing a comprehensive policy concerning the development of cooperative agreements with State approving agencies, in making an educational review of their operations, and in rendering educational advisory services to State and local agencies which will assist them in improving their programs. It is to be emphasized that the contemplated function of the Office of Education is of a professional character only and it is not the intent of this subsection to give any veto to the Office of Education or to interfere fundamentally with the administrative authority vested in the Administrator of Veterans' Affairs. We believe, however, that the Administrator should utilize the Office of Education as his principal professional adviser in his relationships with State approving agencies and where these relationships exist, with educational institutions. The concept which the committee is seeking to establish here is a comprehensive one and is an effort to make full utilization of the educational services of the Federal Government in such a way as to promote better administration of this act by the Federal Government and better standards and procedures in the various States.

Section 245 authorizes the Administrator to enter into contracts with the States to pay the appropriate State and local agencies for reasonable and necessary expenses for travel and salary which these States and local agencies incur in discharging their basic functions under this title.

Standards for approval of courses

Part VI relates to the approval of courses of education and training and section 251 largely conforms to the present standards for apprenticeship and other training on the job which were first enacted into law by Public Law 679 of the Seventy-ninth Congress. A veteran can only draw benefits if he enrolls in an approved course.

Institutional on-farm training

Section 252 governs institutional on-farm training and again follows closely previously adopted standards and makes clear that institutional on-farm training shall be considered a full-time course. However, this bill would limit such training to a farm under the veteran's own control. The requirement of a combined organized group instruction of at least 200 hours per year with not less than 8 hours per month at an educational institution, plus certain supervised work experience is continued. The veteran's farm or other agricultural establishment shall be of a size and character which, together with the group instruction part of the course, will occupy the full time of the veteran.

Accredited and nonaccredited courses

Section 253 permits the approval by the State agencies of certain institutional courses which meet high established standards. It directs the Commissioner of Education to publish a list of nationally recognized accrediting agencies and associations which he determines to be reliable authority as to the quality of training offered. The State approving agency, under this section, is required to find that the educational institution maintains adequate records of the veteran's progress and a written record of the previous education and training of a veteran with a showing that appropriate credit has been given for such prior training.

Section 254, approval of nonaccredited courses: Prescribes detailed standards for the approval of courses by the State agencies which are offered by educational institutions not approved under section 253. These standards are an adaptation, with certain modifications and additions, of those prescribed by Public Law 610, Eighty-first Congress, for the approval of schools operated for profit. Attention is invited to a particular safeguard provided in subsection 254 (c) (10). The attempt of this subsection is to fully utilize the experience of the Federal Trade Commission in dealing with certain schools. The requirement is that the institution does not utilize advertising of any type which is erroneous or misleading. It is further provided that the institution shall not be deemed to have met this requirement until the State approving agency has ascertained from the Federal Trade Commission whether the Commission has issued an order to cease and desist from any act or practice and if any such order has been issued that the approving agency has given due weight to that fact. Coupled with this section, section 272 requires the Federal Trade Commission to keep the State approving agencies advised of any information coming to its attention which would be of assistance to such agencies in carrying out their duties under this title.

Section 255 provides that the State approving agency, after determining compliance with prescribed requirements, shall issue a letter to each institution setting forth the courses which have been approved for the purpose of this title. An official copy of such letter and any subsequent amendments thereto will be furnished to the Administrator of Veterans' Affairs. Certain specified information will be furnished in this letter of approval.

Discontinuance of allowances

Section 256 requires that any course which fails to meet any of the requirements of this title shall be immediately disapproved by the appropriate State approving agency. In addition, the Administrator may discontinue the education and training allowance of any eligible veteran if he finds that the course of education in which the veteran is enrolled fails to meet any of the requirements of this title or if he finds that the educational institution offering such course has violated any of the provisions of this title or fails to meet any of its requirements. It should be pointed out that this is the authority to withhold the allowances of an individual veteran or a group of veterans in the same category. It is not an authority to close down the school even though the withdrawal of a large number of veteran students in an extreme case could have that practical result. It is also provided that the State approving agency shall notify the Administrator of each course which is disapproved under this section and the Administrator shall notify the State of his disapproval of any education or training establishment under part VII of Veterans Regulation No. 1 (a), as amended—the program providing training for service-connected disabled veterans.

Authority and duties of Administrator

Section 261 (a) authorizes the Administrator to prescribe, promulgate, and publish such rules and regulations as are consistent with the provisions of this title and necessary to carry out its purposes. It also provides that notwithstanding the provisions of section 11 of the act of October 17, 1940, as amended (54 Stat. 1193), which exempt the decisions of the Administrator concerning claims for benefits or payments under any act administered by the Veterans' Administration from review by any other official or court of the United States, the payments authorized by this title shall be subject to audit and review by the General Accounting Office. This is intended to make it clear that the procedures and controls generally for application in the handling of public funds are for application to payments made under the veterans' educational and training program. Due to the various types of educational assistance allowances provided and the need which has been demonstrated in the present program for close cooperation between all interested Government agencies in solving the many administrative problems which have been presented with a view to checking fraud and abuses, this is believed highly desirable.

Advisory committee

Section 262 authorizes the creation of an Advisory Committee on Veterans' Education to be appointed by the Administrator of Veterans' Affairs and to include as an ex officio member of that Committee the Commissioner of Education. Provision is also made that the Committee shall be broadly representative of the several fields of education and training. This section follows rather closely the present practice under the administration of the act providing for vocational rehabilitation of disabled veterans (Public Law 16, 78th Cong.) and the Servicemen's Readjustment Act. It is believed that the addition of the Commissioner of Education to such Committee is consistent with the general purpose of this act and that such a Committee can serve a real purpose.

Regulations

The miscellaneous provisions section included as part VII of this title contains various administrative provisions. The Administrator is authorized to prescribe and promulgate rules and regulations, enter into contracts with public and private agencies, and to arrange for educational and vocational guidance, with discretion to pay the veteran's traveling expenses to and from the place of advisement when it is required.

Section 263 makes certain that education shall continue to be under the primary control of the States and local jurisdiction by providing that no department or agency of the Federal Government shall exercise any supervision or control over any State approving agency or educational agency or apprenticeship agency or any educational institution or training establishment.

Conflict of interests

Section 264, which relates to the conflict of interests, is an effort to curb the difficulties and abuses which have been experienced in the administration of the Servicemen's Readjustment Act. There it was found that some employees of the Veterans' Administration owned schools or owned an interest in schools while they were actively considering the claims of their own schools or of similar institutions. This section specifically provides that every officer or employee of the Veterans' Administration and the Office of Education who owns any interest in or receives wages, profits, and so forth, from any educational institution operating for profit shall be immediately dismissed from his Federal office or employment. The same result is sought to be accomplished as to State approving agencies which permit their officers or employees to participate in such an educational institution by discontinuing Federal payments under section 245 to such State approving agencies until the offending employee has been removed. Provision is also made that State approving agencies shall not approve any course in an educational institution operating for profit if it is found that an officer or employee of the Veterans' Administration, Office of Education, or the State approving agency owns an interest in or receives any wages, profits, and so forth, from such a school.

Miscellaneous

Prompt reports to the Administrator by educational institutions and training establishments of enrollment, interruption, and termination of education and training of each veteran is required under section 265.

Section 266 permits the recovery from an educational institution or training establishment of overpayments to a veteran where the overpayment was due to its willful or negligent failure to report excessive absences or discontinuance or interruption of courses by veterans or due to its false certification.

Examination of records and accounts of any education and training institution pertaining to eligible veterans by duly authorized representatives of the Government is provided for by section 267.

Section 268 prohibits the Administrator from making any payment under this title to any person who has been found by the Administrator to have submitted a false or misleading claim. Cases involving

institutions will be referred to a State approving agency and where deemed advisable to the Attorney General of the United States.

Section 269 imposes criminal penalties for willfully false or fraudulent affidavits or other statements concerning a claim and for certain other wrongful acts and in the case of a veteran provides for forfeiture of education and training rights under this title and certain benefits under other Veterans' Administration laws and upon conviction by a court a fine of not more than \$500 or imprisonment of not more than 6 months, or both. Any person not subject to the forfeiture provision violating this section is liable to a fine of not more than \$5,000 or imprisonment of not more than 3 years, or both.

In conformity with other laws administered by the Veterans' Administration, section 270 would apply certain provisions of Public Laws 262 and 844 of the Seventy-fourth Congress which involve, among other items, tax exemption, nonassignability, exemptions from claims of creditors, authority of Administrator to make investigations and issue subpoenas, and recognition of agents and attorneys.

Section 271 provides that there shall be no recovery of overpayment where in the judgment of the Administrator the veteran is without fault on his part and where such recovery would defeat the purpose of benefits otherwise authorized or would be against equity and good conscience.

The Federal Trade Commission under the provisions of section 272, is required to keep all State approving agencies advised of any information coming to its attention which would be of assistance in the administration of this act. As indicated earlier in the report, the Federal Trade Commission under the laws administered by it, has authority to issue cease and desist orders against schools for false or misleading advertising. The intent of this section is for the Federal Trade Commission to place on its mailing list all State approving agencies, and to see that these agencies receive copies of cease and desist orders, stipulations, and statements of compliance, plus such other information which the Commission might believe would be of assistance to the agencies in carrying out responsibility under this title.

Cost

The first year cost of the education title is estimated at \$324,790,000, with an ultimate leveling-off approximate annual cost of \$833,760,000, based on the assumption that the present size of the Armed Forces will remain fairly constant.

TITLE III—HOUSING AND OTHER LOAN ASSISTANCE

The general purpose of this title is to extend the loan guaranty provisions of title III of the Servicemen's Readjustment Act to the veterans of the Korean conflict period to the same extent as those provisions apply to World War II veterans. Certain changes in existing law, as indicated below, are also made which will be applicable to loans made to World War II veterans as well the new group in the future. Under existing law, a veteran of World War II and the unmarried widow of such a veteran who died of service-connected causes are entitled to have home-loan guaranty up to 60 percent of the loan, not, however, to exceed a guaranty amount of \$7,500. This applies both to urban and rural home loans. Other real-estate loans may be

guaranteed up to 50 percent, not exceeding \$4,000. In the case of a non-real-estate loan, such as a business loan, the guaranty ceilings are 50 percent and \$2,000. Under the temporary direct loan program the Administrator may, under certain conditions, make direct home or farmhouse loans not exceeding \$10,000. The interest rate on loans is set at 4 percent, subject to authority by the Administrator to increase the rate to 4½ percent, with the concurrence of the Secretary of the Treasury, for guaranteed loans. The direct-loan provision has been restricted by regulation largely to nonmetropolitan areas. There is paid by the Administrator as a gratuity from the Government an amount equal to 4 percent on the amount guaranteed. This cannot exceed \$160, which represents 4 percent of the basic \$4,000 guaranty ceiling on real-estate loans. The default rate on these loans has been very favorable and is now at less than one-half of 1 percent. This title makes all of these provisions applicable to the veterans of the period of the Korean conflict.

Section 301 defines the new eligible period of service as being on or after June 27, 1950, and prior to such time as shall be determined by Presidential proclamation, or by concurrent resolution of the Congress. Actual separation from active service under conditions other than dishonorable is a prerequisite to such a loan benefit and a guaranteed loan could not be had by an individual who follows a service career and has not been discharged. This section also prevents the conferring of additional benefits to veterans of the Korean action who are eligible for loan benefits under the existing act. The present authority for guaranteeing such loans in World War II cases is due to expire on July 25, 1957. In line with this time limit provision is made that the guaranty of loans for Korean veterans shall apply to loans made within 10 years after the end of the emergency service period to be determined as indicated. This section also permits a veteran of World War II and service on or after June 27, 1951, to obtain a second loan where the Government has incurred no loss from a first loan, is no longer subject to contingent liability thereon.

Prior approval of certain loans

Section 302 adds a new subsection (f) to section 500 of the Servicemen's Readjustment Act to authorize the Administrator of Veterans' Affairs, upon 30 days' notice, to require loans to be made by any lender or class of lenders to be submitted for prior approval. No guaranty of insurance in such cases would exist until evidence of guaranty or insurance is issued by the Administrator. This provision would apply both to World War II and Korean veterans so that the Administrator, where there have been difficulties with certain lenders, can withhold the privilege of the automatic loan guaranty and require prior approval without suspending the lender entirely.

Section 303, which likewise applies to both World War II and Korean veterans, provides the specific requirement that the veteran be a satisfactory credit risk. In practice this is already a workable part of the activity but it is believed wise to provide specific authority for such a requirement.

Minimum standards-construction warranty

Section 304 is an effort to make sure that the veteran receives adequate housing which he purchases and on which the Government has issued a guaranty. The first section of 304 adds a new subsection (b)

to section 504 of the so-called GI bill of rights to require that no loan for the purchase or construction of residential property on which construction has begun 60 days subsequent to the passage of this act shall be financed through the assistance of this title unless the property meets or exceeds minimum requirements for planning, construction, and general acceptability. This, it is believed, is a substantial safeguard for the veteran, and broadens existing controls to require, among other things, provision of adequate off-site facilities by a developer.

Subsection (c) is the result of considerable discussion and debate on the provision of a warranty to the veteran by the seller of a newly constructed dwelling unit. This would provide, in effect, that the seller or other prescribed warrantor of a dwelling would be deemed to expressly warrant to the veteran purchaser upon a sale, for initial occupancy, that the house is constructed in substantial conformity with the plans and specifications on which the agency of the Federal Government based its valuation or commitment to guarantee or insure the loan. This warranty would involve financing by any agency or instrumentality of the Federal Government and applies equally to World War II and Korean veterans. The warranty is limited in application in that the purchaser must give written notice of the failures of performance within 1 year from the date of initial occupancy.

Subsection (d) grants to the Administrator the right to refuse to appraise any dwelling or housing project owned, sponsored, or constructed by persons identified with housing previously sold to veterans under the Veterans' Administration guaranty program as to which substantial deficiencies have been discovered or as to which there have been failures to discharge contract liabilities to veterans or as to which the practices in regard to type of contract or marketing of such properties was unfair to veteran purchasers. This should be a real deterrent to the exploitation of veterans seeking well-constructed housing accommodations on fair terms.

Section 305 relates to the eligibility of the veteran of the Korean conflict to refinance an existing loan within the 10-year period after the end of the current emergency and is in line with the same privilege given to veterans of World War II.

Section 306 deals with the question of the expiration date for the making of direct loans. It provides that if the commitment to make such a loan was made prior to the expiration date of June 30, 1953, the loan may be completed subsequent to such date.

Section 307, which is also applicable to both World War II and Korean veterans, adds a new section 514 to the Servicemen's Readjustment Act which would provide specific authority to suspend either temporarily or permanently the right of the lender or holder who has indulged in practices which are detrimental to the interests of the veteran or to the Government to participate in future loans under the program.

Cost

The cost of the housing program to the Government, other than for administration and the payment of the 4-percent gratuity (\$160 for each loan), would depend upon the rate of default, which currently is less than one-half of 1 percent.

TITLE IV—SOCIAL SECURITY BENEFITS

The Social Security Act was amended in 1950 to establish the presumption that while a man was in the service during World War II he would be considered in employment covered by title II of that act with pay at the rate of \$160 per month for each month of service. This, of course, was for the purpose of establishing old-age and survivors' insurance wage credits for the period of World War II. This title would give the same coverage and protection to veterans of service on or after June 27, 1950, and prior to such date as may be fixed by the President or the Congress.

Providing credits for military or naval service during this period will result in the payment of some old-age and survivors insurance benefits which would not otherwise be payable and in increasing the amount of some benefits which would be payable without the credits—provided, of course, another nonveterans' benefit is not payable by the United States on the basis of the same service. The additional costs resulting from the credits will arise as the benefits or increased benefits become payable and the bill provides for reimbursement from the Federal Treasury to the Federal old-age and survivors insurance trust fund, from which the benefits are paid, to cover these additional costs. With the membership of the Armed Forces having been considerably less than at present at the time the Korean conflict began and for some time thereafter, the additional costs resulting from the \$160 per month wage credits from June 27, 1950, will, it is estimated, average about \$1,500,000 per year over the next 50 years for each year that wage credits are given for military or naval service.

TITLE V—MUSTERING-OUT PAY

This title grants (in lieu of unemployment compensation or readjustment allowances) to men who served on or after June 27, 1950, and prior to such time as may be determined by the President or the Congress, mustering-out payments similar to those given World War II veterans. These benefits amounted to \$100 in the case of a person who served less than 60 days, \$200 for persons serving more than 60 days, with no service outside the continental limits of the United States, and \$300 for a person serving more than 60 days and who served outside the continental limits. It covers all enlisted men and up to and including the grade of captain in the officer class. It is comparable in intent and purpose to the mustering-out payments granted to World War II veterans. It will be administered by the Secretaries of the Army, Navy, Air Force, and Treasury, and the first payment is to be made at the time the serviceman is discharged.

It is estimated that the annual cost of this proposal would approximate \$200,000,000.

TITLE VI—MISCELLANEOUS

Section 601 gives the same employment assistance to veterans of service on or after June 27, 1950, as enjoyed by World War II veterans.

Section 602 authorizes the appropriation of such moneys as are necessary to carry out the provisions of this act.

APPENDIX

The book, *They Went to College*, a report on the United States college graduate today, based on a study sponsored by Time, the weekly news magazine, and published by Harcourt, Brace & Co., contains some interesting statistics and statements under chapter 14, entitled, "The Boy Who Worked His Way." With permission of the copyright holders and as of interest to the Congress, this chapter is reproduced below:

CHAPTER 14—THE BOY WHO WORKED HIS WAY

As we found very early in this book, the picture of the college campus as the exclusive preserve of rich youngsters is an illusion. The campus is inhabited by a broad cross section of American life, and while some of the youths who stroll its paths never have to give a thought to financial matters, most of them already know what it means to pursue a paycheck. They are full-time students and part-time taxi drivers, table waiters, and timber cruisers—all to help pay for that eventual diploma. Among our own sample of the college-educated population, we saw in Chapter 2, eight out of ten of the men graduates worked their way through school in whole or in part.

What price working one's way? Does the working student make as good grades as the boy who gets his money by just writing home for it? Is he crowded out of campus activities by the student who has more time for them? And when it comes to making a living in later years who will have the economic edge—the young man who waits on tables at a sorority house, as one U. S. President did, or the lad who can drive up to the front door of the sorority house in the convertible his dad gave him for Christmas?

Once again the statistics are going to do violence to the folklore, and even to the fondly held opinions of many of the Old Grads. For through many of the letters from our Old Grads who worked their way there runs an extremely wistful note. The men who worked are a little regretful that they had too little time to study, or too little time to engage in extracurricular activities, or too little time simply to have fun. For example a Midwestern graduate says:

"My college education was very satisfactory—but I didn't do it justice for lack of time to study. Working your way through college is fine if you aren't taking a full schedule of courses at the same time. My time seemed to be spent more in working than in studying."

And a successful lawyer who in his youth was, as he says, "a poor boy who spent a year in a C. C. C. camp," has this complaint:

"My only regret and the only thing I would do differently, if possible, is to participate more actively in social activities. When in college I was too poor to take part . . . and thus I will always believe that I missed something important by being forced to be an onlooker rather than a participant in this important part of youth."

A graduate engineer adds:

"I have spoken to and known many students in my time, and find that if they do not have money worries they usually participate in extracurricular activities. I, myself, had a 48-hour job on the outside while attending the Technical School, and did not derive full benefits."

Looking back across an interval of 40 years at his hard-working college days, another Old Grad remarks:

"I have little regard for the youngsters who weep about not being able to get to college because their parents cannot afford to send them. *My* time was spent in study—in classes—working in the kitchens of restaurants—and sleep. . . . It was not a matter of how much time I wanted to spend on study or on extracurricular activity, but what time I *could* spend and make a living."

Yet along with their understandable wistfulness about having so little time, the graduates who worked their way feel a justifiable pride in having earned their college diplomas through their own efforts. A Presbyterian minister comments:

"In view of the fact that I worked my way through college, I find myself wishing that I could have had more time for study and also more time for participation in campus activities. Having said this, it may sound paradoxical

to add that if I had it to do over again, I would still prefer to work my way. There was definite educational value and disciplinary value in working which gives one a sense of responsibility and independence and also deepens one's appreciation of an education which is earned the hard way, instead of being dished out on a silver platter."

In a way it hardly seems fair to compare the grades or extracurricular records of these working students with those of collegians who were free to invest their entire time and energy in the pursuit of Phi Beta Kappa keys or athletic letters. Yet when we do make the comparison, the results are not at all what might be expected. Take first the matter of grades. The percentage figures for all graduates, including women as well as men, work out as follows:

"... 16 percent of the graduates who earned more than half their own way reported that their grades were mostly A's, as did

"... 14 percent of those who earned less than half of their expenses, and

"... 16 percent of those who did not work at all. At the other end of the grade scale, about a fourth of each group reported getting mostly C's or mostly D's. The self-help student, it develops, has just as good a scholastic record as anyone else."

Nor do the statistics show that our self-help graduates missed much, as a group, in the campus activities department. If anything the working boy was more likely to "get around" than his family-subsidized classmates. More than a third of the students who worked their way reported that they had taken part in three or more campus activities, compared with only 28 percent of those who did not work. Somehow the working students even found time to work their way up to positions of leadership in their activities. The figures show that:

"... 44 percent of those who earned from half to all their expenses held at least one campus office, as did

"... 48 percent of those who earned up to half their way, and

"... 42 percent of those who did not work at all."

So in the two highly competitive categories of grades (which, we have found, have some relation to later income) and extracurricular activities (which do not), the graduates who worked their way and the graduates who were sent by their families were practically all square on commencement day.

The following letter—from a graduate who worked his way through school and is now a Navy training supervisor—is therefore perhaps not so unusual as it first sounds:

"Besides making the 'Honor Ten' at graduation (which implies a high scholastic record), I was vitally interested in and devoted great amounts of time and effort to: the Art Students' League—class representative, board of directors; chairman of annual costume-masque ball; the Stock Company (dramatic group)—scenic designer, board of directors, director, actor, etc.; the Gibbons Club (Catholic club); committee to purchase senior class gifts; pledged to a fraternity; attended all the social events of the college—dances, proms, teas, smokers, concerts, etc. To top off this seemingly crowded social program, I worked after school and on Saturdays and helped a great deal with the chores at home."

But obviously the working and nonworking students, although more even than one might have guessed in grades and activities, do not start life all square in the sum total of what they got out of going to college. Both missed something. The family-supported graduate missed a certain amount of preparatory wrestling with the cold, cruel world into which he was being catapulted. The self-supported graduate, whose days contained only 24 hours like anyone else's, at least missed some sleep. As a group he kept up in his studies and made a name for himself as well, but something must have had to give. When we ponder the imponderables—the time spent or not spent in taking advantage of the college's cultural assets, the time spent or not spent on the acquisition of social graces, or even on the intelligent waste of leisure time—it seems obvious that the two do not start out on completely even terms.

We can also assume that the self-help and family-supported graduates were unequal when they began their careers, in another important respect. Some of the working graduates in all probability came from wealthy families who wanted them to pay their way because it would be a good experience or more democratic to do so. Likewise some of the family-supported graduates must have come from poor families who were determined that the children should enjoy an unburdened college life, whatever the sacrifice. But these working rich boys and subsidized poor boys were surely the exceptions. The big majority of graduates who worked their way as door-to-door salesmen, dishwashers, or

stockbrokers must have done so because of financial necessity, and the big majority of those who did not work must have come from families well able to support them. In general, there is bound to have been a considerable difference in the family economic backgrounds.

Considering the difference in background, it is not surprising to discover that on the matter of total income—including investments as well as earnings—the family-supported graduates do better. For all the graduates in the sample—women as well as men, and women who work as well as women who are now supported by husbands, either rich or poor—the total family incomes work out as follows:

"For graduates who earned half to all their own expenses, the median total family income is \$4,831.

"For those who earned less than half, the median is \$4,995.

"Among those who did not have to work at all, it is \$5,276."

The figures indicate two things: First, the graduates who worked their way have indeed attained an economic level way above the average of the whole population. But, second, they have not entirely closed the gap that presumably separated their own parents from those who were able to pay their children's way. Nor can the financial difference be blamed entirely on such outside income as trusts, gifts of stocks and bonds, inherited real estate, and other sources that have nothing to do with individual earning power. In chart 39 we begin examining the actual earnings of the men graduates. It develops immediately that the family-supported men have produced the most high-bracket salaries; the men who had to pay all or most of their way have produced the fewest.

The graduates have been divided into age groups in Chart 39 to give a clearer picture of this queer economic foot race. In the early stages of the race, the self-help and family-supported graduates run virtually in a dead heat. But after the age of 30, for some reason, the group that was sent to college begins to pull ahead of those who had to work their way. The gap increases as time goes on, until, after 40, the family-supported men have a significant lead in income. At age 40 and older, 42 percent of them are making \$7,500 a year or more—but only 31 percent of those who earned most of their way are doing this well. In fact, the more nearly self-supporting a man was in college, the farther behind the family-supported man he has fallen in latter life. There are no important differences in the lowest income bracket—but the family-supported men's record in the \$7,500-and-over bracket is outstanding.

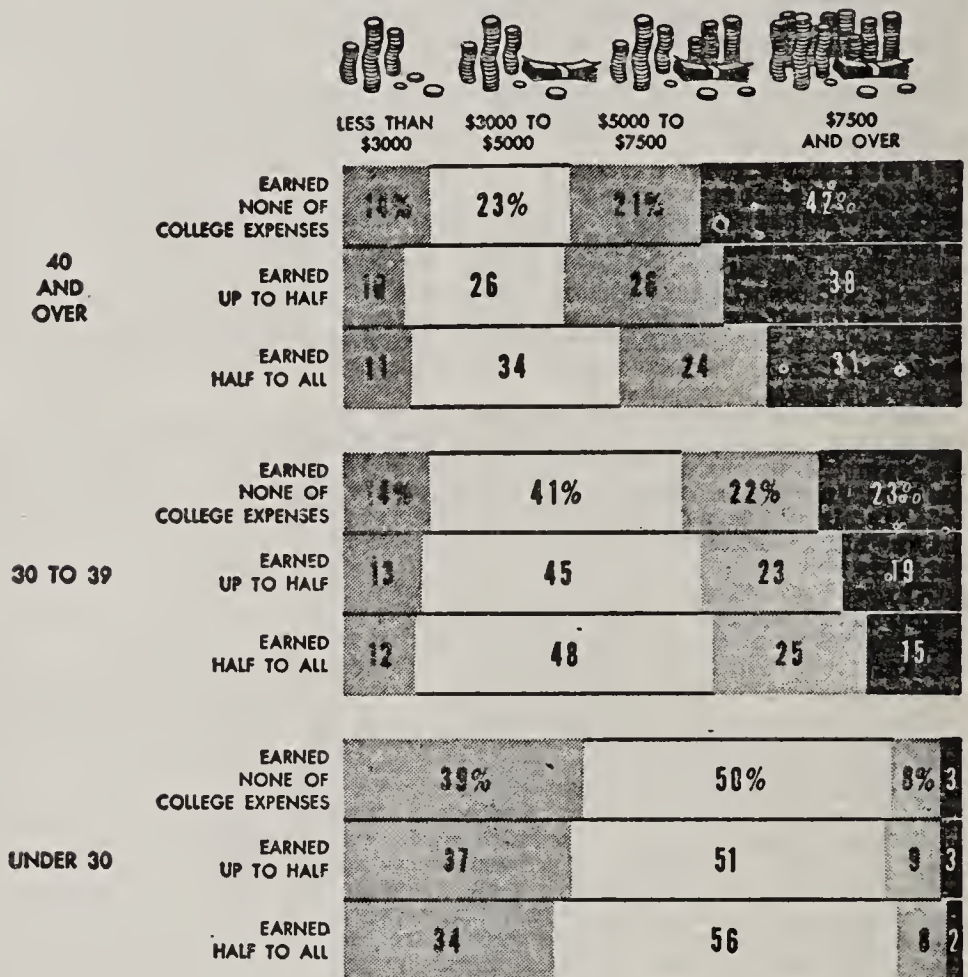
What all this amounts to is that the student who works his way starts his career under an economic handicap which, although hardly burdensome at all at the beginning, weighs more and more heavily as the race goes on. He or, rather, his group, never does get up to the income level of the students whose way was paid, and indeed lags farther and farther behind as the years go by. The fact may be highly unfair and is certainly subversive to the Horatio Alger doctrine, but there it is.

Why is this? Why should one group be more likely to succeed than the other? Is it that one type plays a better game of golf, or tells a better locker-room story, or dresses better, or mixes a more authoritative martini? Perhaps part of the explanation is that family assistance for the supported student does not necessarily end on cap-and-gown day. Thanks to his background or family influence he may start out in jobs with a better chance for advancement. As an oversimplified instance, two young graduates of equal ability, one of whom worked his way and one of whom did not, might begin as clerks for the same railroad; 20 years later the working student by dint of worthy effort might have become head of the accounting department while the other graduate, because social friendships made him a marked man from the start, might be a vice president about to command a private car. This whole phenomenon is part of the intricate question of what qualities and techniques do get one ahead in the world. This is a matter deserving a separate investigation, and our survey did not attempt to tackle it.

Our figures do show that it is in business, rather than in the professions, that the graduate who was sent to college has the greatest edge on the graduate who sent himself. Chart 40, confined to the 40-and-up group where earning differences are most pronounced, shows that if the self-help student went into a profession—the law, medicine, the clergy, teaching—he is now doing almost as well as the man who was sent through school by his parents. But if he went into business, he is considerably more likely to have fallen behind. It is in the business field—traditionally the great opportunity for self-advancement—where the self-help

Earnings of self-help and family-supported graduates

Percent of Men Graduates who earn



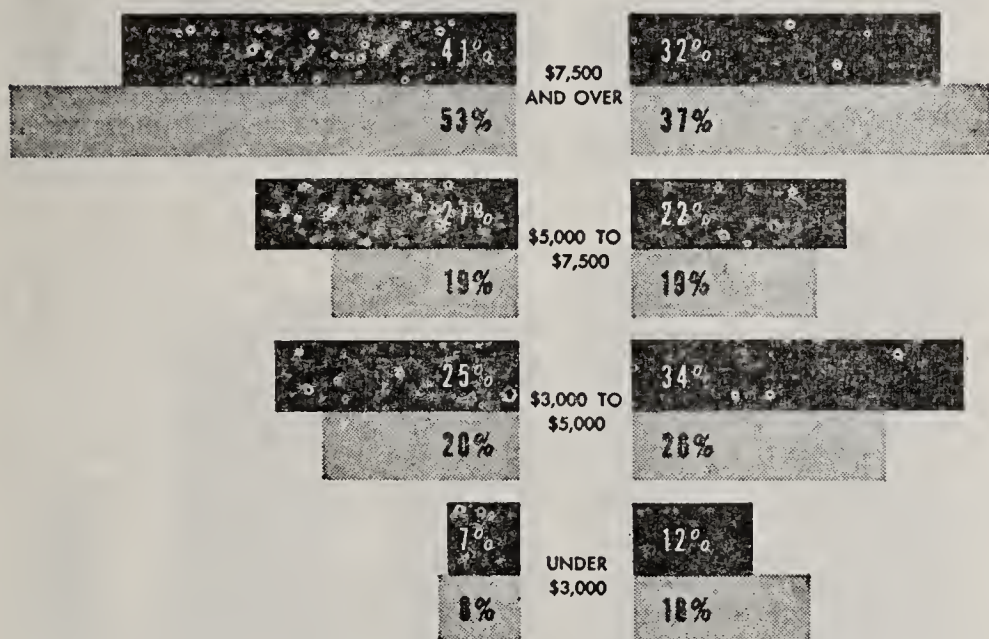
The financial gap between self-help and family-supported Graduates

Self-Help
GraduatesFamily-
Supported
Graduates

**BUSINESSMEN
40 & OLDER**



**PROFESSIONAL MEN
40 & OLDER**



student, ironically, makes the poorest showing in comparison to the graduate from a wealthier home. Especially at the top jobs, those paying \$7,500 and over, he simply fails to keep pace.

We have seen that a technical education is a big help in getting ahead in the business world, but it is not a lack of technical training that handicaps the men who worked their way; 47 percent of them, as against 42 percent of the supported students, majored in a technical field and not in the humanities or in other fields which prove less helpful in business careers. The trouble lies somewhere else. One graduate who feels that he has failed to set the world on fire writes, "It's who you know that counts, rather than what you know." Other graduates hold that personality traits, upper-class manners, influential uncles, or "contacts" in general are what count. None of these sounds like a complete and satisfactory answer. But it does appear that other things being equal—including type of college training, grades, and activities—the working student's handicap must lie somewhere in this unexplored area.

None of the foregoing means that anyone need shed a tear, and certainly not pass the hat, for the boy who worked his way. Better than half of his group, once they had reached the maturity of the forties, were earning at least \$5,000 a year at the time of the survey and thus doing very nicely indeed compared to the U. S. population as a whole. The boy who worked his way makes relatively less money than the graduates who come from richer families—but he is by no means downtrodden.

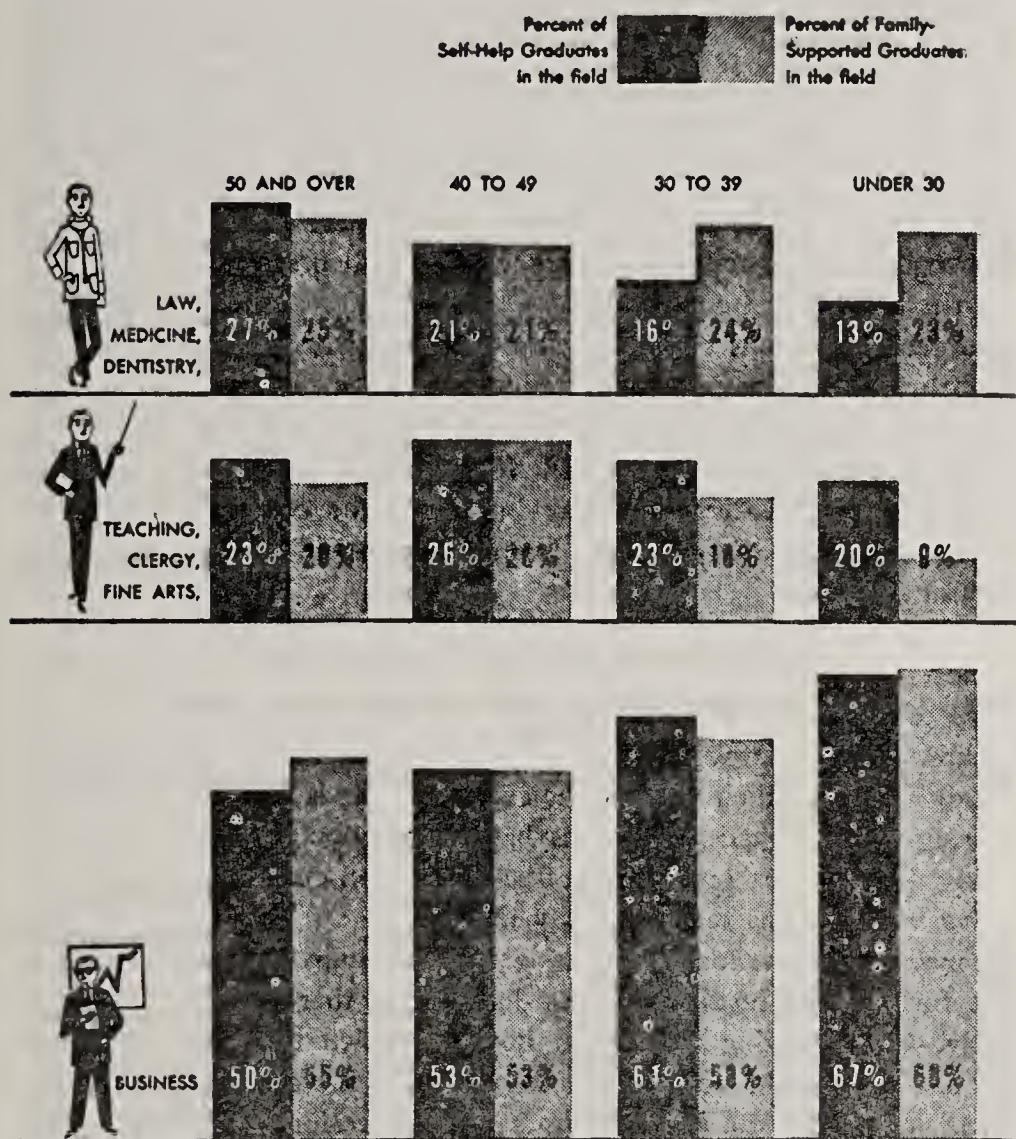
In all probability, however, the financial gap between the two groups is getting larger instead of smaller. Having said this, we must quickly explain—for it sounds like a direct contradiction of the figures in Chart 39. In that chart we noted that the gap was biggest among the oldest graduates, smaller in the middle group, and nonexistent among the youngest graduates. Taking the figures at their face value, an optimist might argue that all the differences between self-help and family-supported graduates are a thing of the past, being wiped out completely by the new generations of college people in the much more democratic America of the middle twentieth century. But this is a case where the figures cannot stand alone, and must be interpreted in the light of other things that we know about the graduates.

For one thing, we know that the college graduate, unlike the average man, does not reach his earnings peak until late in life; as we saw in Chapter 3, the graduates of 50 and over are making the most money of all. We also know, just from day-to-day observation, that most young graduates have to start quite modestly (in comparison to their ultimate earnings) and that many of those destined to make the most money in the long run—the doctors, the lawyers, the young men learning their fathers' businesses from the ground up—often make the least at the start. Thus the differences in earnings are bound to be smallest among the men just out of school, and to increase year by year as the most successful graduates keep adding to their stature. No matter how one chooses to divide or group the youngest graduates, few if any differences in earning ability appear. But as they get older, and many of them start pushing into the higher brackets, the differences are bound to start cropping up. A young doctor, a young lawyer, a young teacher, and three young businessmen might all be earning \$68 a week—which happened to be the median for all men graduates under 30 at the time of the survey. But we know that the doctor and the lawyer are almost sure to go much higher as the years pass, while the teacher is soon likely to hit his ceiling. Of the three men in business, the first may always remain a white-collar worker, the second may become a department head, and the third may wind up as president of General Motors. Today they may rate the same on the charts; 25 years from now they will be widely scattered through the income brackets.

To forecast what will happen to the young self-help graduates and the young family-supported graduates, therefore, it is much more profitable to examine Chart 41. At the time the graduates over 40 were going to school, the chart shows, the poorer college boy was just as likely to enter the high-paid professions as the wealthier boy. But lately, among the men under 40 and especially among those under 30, more and more working students have been going into occupations which are low-paid even at the top. The chart shows that the younger working graduates are under-represented in the high-paid professions of medicine, law, and dentistry, and over-represented in such low-paid professions as teaching and the clergy.

Larger proportions of both groups—in fact two out of three, among self-help and family-supported graduates alike—are going into the business world these

Fewer Grads who worked their way are now entering the high paid professions



days. But in the case of the boys who did not work their way, this represents a switch from the low-paid "liberal" professions to business careers that pay better. In the case of the working students it represents a departure from the high-paid professions in favor of business.

The proportion of graduates who worked their own way to law, medical, or dental degrees has declined steadily, from 27 percent of the oldest group to only 13 percent of the youngest. Meanwhile the proportion entering teaching or the clergy has not dropped appreciably. Among the men sent to college by their parents, the exact opposite is true—the proportion entering the low-paid professions has been dropping and is only 9 percent among the youngest group, while the proportion entering the high-paid professions has remained practically the same.

It may be that the longer courses generally required by colleges nowadays for law and medical degrees—longer and therefore also more expensive—are squeezing more poor boys than rich from these fields. It may also be that the poorer boys have become increasingly discouraged by the length of time it takes to get a career really started in this sort of profession even after the diploma is safely signed—a difficulty that is not nearly so bothersome for the student who can count on his family for financial help even after graduation day. At any rate, whatever the cause, the men who have to work their way have recently been staying away from the high-paid professions, and the figures indicate that the trend is still continuing. Meanwhile the flight from the study of the humanities, and from the "learned" but low-paid professions that are so often the end of the road for humanities students—a general trend which we have noted earlier in the book—turns out to be greatest among the wealthier students and almost non-existent among the poorer ones.

By the time our youngest graduates are in their forties—say around 1970—the difference in earnings between the self-help and family-supported graduates will doubtless be even larger than it is today. And if the trends continue, it will grow bigger every year. In the business field, which now attracts two-thirds of the graduates of both types, the self-help man does not keep up with the man who was sent to school by his parents. And while the self-help man manages to hold his own pretty well in the professions, he is increasingly choosing the low-paid professional fields instead of the high-paid ones. Unless something happens to change the pattern, the chances of the self-help students for financial equality will grow progressively smaller.

For the convenience of Members, the Servicemen's Readjustment Act of 1944, as amended, is reproduced below:

SERVICEMEN'S READJUSTMENT ACT OF 1944

Public Law 346, 78th Cong., June 22, 1944, with amendments prior to May 15, 1952

Act of June 22, 1944. SEC. 1. This Act may be cited as the "Servicemen's Readjustment Act of 1944".

TITLE I

CHAPTER I—HOSPITALIZATION, CLAIMS, AND PROCEDURES

Act of June 22, 1944, as amended by Public Law 138, 79th Cong., July 6, 1945; sec. 1, Public Law 268, 79th Cong., December 28, 1945. SEC. 100 (38 U. S. C. 693). The Veterans' Administration is hereby declared to be an essential war agency and entitled to priority equal to the highest granted any department or agency of the Government in personnel, service, space, equipment, supplies, and material under any laws. Executive orders, and regulations pertaining to priorities. The Administrator is authorized, for the purpose of extending benefits to veterans and dependents, and to the extent he deems necessary, to procure the necessary space for administrative, clinical, medical, and out-patient treatment purposes by lease, purchase, or construction of buildings, or by condemnation or declaration of taking, pursuant to existing statutes.

Until June 30, 1950, the Administrator is authorized to enter into leases or renewals of leases of property for any of the purposes specified in this section for periods not exceeding five years. The provisions of the Act of June 30, 1932 (47 Stat. 412), as amended by section 15 of the Act of March 3, 1933 (47 Stat. 1517; 40 U. S. C. 278a), the provisions of section 3679 of the Revised Statutes, as amended by the Act of March 3, 1905 (33 Stat. 1257); and the Act of February 27, 1906 (34 Stat. 48; 31 U. S. C. 665); and the provisions of section 3732 of the Revised Statutes (41 U. S. C. 11) shall not apply to any lease entered into by the Administrator under the authority of this section. Nothing in this section shall be construed to diminish, or in any way limit any right, power, or authority granted to the Administrator under any other law.

SEC. 101 (38 U. S. C. 693a). The Administrator of Veterans' Affairs and the Federal Board of Hospitalization¹ are hereby authorized and directed to expedite and complete the construction of additional hospital facilities for war veterans, and to enter into agreements and contracts for the use by or transfer to the Veterans' Administration of suitable Army and Navy hospitals after termination of hostilities in the present war or after such institutions are no longer needed by the armed services;² and the Administrator of Veterans' Affairs is hereby authorized and directed to establish necessary regional offices, suboffices, branch offices, contact units, or other subordinate offices in centers of population where there is no Veterans' Administration facility, or where such a facility is not readily available or accessible;³ *Provided*, That there is hereby authorized to be appropriated the sum of \$500,000,000 for the construction of additional hospital facilities.

SEC. 102 (38 U. S. C. 693b). The Administrator of Veterans' Affairs and the Secretary of War⁴ and Secretary of the Navy are hereby granted authority to enter into agreements and contracts for the mutual use or exchange of use of hospital and domiciliary facilities, and such supplies, equipment, and material as may be needed to operate properly such facilities, or for the transfer, without reimbursement of appropriations, of facilities, supplies, equipment, or material necessary and proper for authorized care for veterans, except that at no time shall the Administrator of Veterans' Affairs enter into any agreement which will result in a permanent reduction of Veterans' Administration hospital and domiciliary beds below the number now established or approved, plus the estimated number required to meet the load of eligibles under laws administered by the Veterans' Administration, or in any way subordinate or transfer the operation of the Veterans' Administration to any other agency of the Government.⁵

Nothing in the Selective Training and Service Act of 1940, as amended, or any other Act, shall be construed to prevent the transfer or detail of any commissioned, appointed or enlisted personnel from the armed forces to the Veterans' Administration subject to agreements between the Secretary of War⁴ or the Secretary of the Navy and the Administrator of Veterans' Affairs: *Provided*, That no such detail shall be made or extend beyond six months after the termination of the war.

¹ Abolished as of June 30, 1948, by Bureau of the Budget Circular A-27, dated June 25, 1948. Bureau of Budget will hence forth review and coordinate hospital, convalescent, and domiciliary programs.

² Sec. 601, Public Law 155, 82d Cong., September 28, 1951, provides in part that the Secretary of the Army, the Secretary of the Air Force, or the Secretary of the Navy, as the case may be, shall come into agreement with the Committee on Armed Services of the Senate and of the House of Representatives with respect to transfers of Government-owned real property with an estimated value in excess of \$25,000 under the jurisdiction of the military departments, which are to be made to other Federal agencies.

³ Extended to cover offices in Republic of Philippines to June 30, 1954, by Public Law 91, 80th Cong., June 14, 1947, as amended by Public Law 546, 81st Cong., June 14, 1950.

⁴ Now "Secretary of the Army" pursuant to sec. 205 (a), Public Law 253, 80th Cong., July 26, 1947.

Added by Public Law 424, 79th Cong., June 22, 1946; as amended by Public Law 94, 80th Cong., June 14, 1947; Public Law 661, 80th Cong., June 16, 1948, and Public Law 188, 81st Cong., July 26, 1949.

Act of June 22, 1944.

Act of June 22, 1944.

Act of June 22,
1944.

SEC. 103 (38 U. S. C. 693e). The Administrator of Veterans' Affairs shall have authority to place officials and employees designated by him in such Army and Navy installations as may be deemed advisable for the purpose of adjudicating disability claims of, and giving aid and advice to, members of the Army and Navy who are about to be discharged or released from active service.

Act of June 22,
1944.

SEC. 104 (38 U. S. C. 693d). No person shall be discharged or released from active duty in the armed forces until his certificate of discharge or release from active duty and final pay, or a substantial portion thereof, are ready for delivery to him or to his next of kin or legal representative; and no person shall be discharged or released from active service on account of disability until and unless he has executed a claim for compensation, pension, or hospitalization, to be filed with the Veterans' Administration or has signed a statement that he has had explained to him the right to file such claim: *Provided*, That this section shall not preclude immediate transfer to a veterans' facility for necessary hospital care, nor preclude the discharge of any person who refuses to sign such claim or statement: *And provided further*, That refusal or failure to file a claim shall be without prejudice to any right the veteran may subsequently assert.

As amended by
sec. 2, Public
Law 268, 79th
Cong., Decem-
ber 28, 1945.

Any veteran entitled to a prosthetic appliance shall be furnished such fitting and training, including institutional training, in the use of such appliance as may be necessary, whether in a Veterans' Administration facility, other training institution, or by out-patient treatment, including such service under contract and including necessary travel expenses to and from their homes to such hospital or training institution.

Added by sec.
2, Public Law
268, 79th
Cong., Decem-
ber 28, 1945.

The Administrator may procure any and all items mentioned herein, including necessary services required in the fitting, supplying, and training in use of such items by purchase, manufacture, contract, or in such other manner as the Administrator may determine to be proper without regard to any other provision of law.

Act of June 22,
1944.

SEC. 105 (38 U. S. C. 693e). No person in the armed forces shall be required to sign a statement of any nature relating to the origin, incurrence, or aggravation of any disease or injury he may have, and any such statement against his own interest signed at any time, shall be null and void and of no force and effect.

CHAPTER II—AID BY VETERANS' ORGANIZATIONS

Act of June 22,
1944.

SEC. 200 (a) (38 U. S. C. 693f). That upon certification to the Secretary of War¹ or Secretary of the Navy by the Administrator of Veterans' Affairs of paid full time accredited representatives of the veterans' organizations specified in section 200 of the Act of June 29, 1936 (Public Law Numbered 844, Seventy-fourth Congress), and other such national organizations recognized by the Administrator of Veterans' Affairs thereunder in the presentation of claims under laws administered by the Veterans' Administration, the Secretary of War¹ and the Secretary of the Navy are hereby authorized and directed to permit the functioning, in accordance with regulations prescribed pursuant to subsection (b) of this section, of such accredited representatives in military or naval installations on shore from which persons are discharged or released from the active military or naval service: *Provided*, That nothing in this section shall operate to affect measures of military security now in effect or which may hereafter be placed in effect, nor to prejudice the right of the American Red Cross to recognition under existing statutes.

Act of June 22,
1944.

(b) The necessary regulations shall be promulgated by the Secretary of War¹ and the Secretary of the Navy jointly with the-

¹ See footnote 4, p. 50.

Administrator of Veterans' Affairs to accomplish the purpose of this section, and in the preparation of such regulations the national officer of each of such veterans' organizations who is responsible for claims and rehabilitation activities shall be consulted. The commanding officer of each such military or naval installation shall cooperate fully with such authorized representatives in the providing of available space and equipment for such representatives.

(c) The Administrator is further authorized at his discretion and under such regulations as he may prescribe to furnish, if available, necessary space and suitable office facilities for the use of paid full-time representatives of such organizations.

Added by sec.
3, Public Law
268, 79th
Cong., Decem-
ber 28, 1945.

CHAPTER III—REVIEWING AUTHORITY¹

SEC. 300 (38 U. S. C. 693g). The discharge or dismissal by reason of the sentence of a general court martial of any person from the military or naval forces, or the discharge of any such person on the ground that he was a conscientious objector who refused to perform military duty or refused to wear the uniform or otherwise to comply with lawful orders of competent military authority, or as a deserter, or of an officer by the acceptance of his resignation for the good of the service, shall bar all rights of such person, based upon the period of service from which he is so discharged or dismissed, under any laws administered by the Veterans' Administration: *Provided*, That in the case of any such person, if it be established to the satisfaction of the Administrator that at the time of the commission of the offense such person was insane, he shall not be precluded from benefits to which he is otherwise entitled under the laws administered by the Veterans' Administration: *And provided further*, That this section shall not apply to any war risk, Government (converted) or national service life-insurance policy.

Act of June 22
1944.

SEC. 301 (38 U. S. C. 693h). The Secretary of War² and the Secretary of the Navy, after conference with the Administrator of Veterans' Affairs, are authorized and directed to establish in the War³ and Navy Departments, respectively, boards of review composed of five members each, whose duties shall be to review, on their own motion or upon the request of a former officer or enlisted man or woman or, if deceased, by the surviving spouse, next of kin, or legal representative, the type and nature of his discharge or dismissal, except a discharge or dismissal by reason of the sentence of a general court martial. Such review shall be based upon all available records of the service department relating to the person requesting such review, and such other evidence as may be presented by such person. Witnesses shall be permitted to present testimony either in person or by affidavit and the person requesting review shall be allowed to appear before such board in person or by counsel: *Provided*, That the term "counsel" as used in this section shall be construed to include, among others, accredited representatives of veterans' organizations recognized by the Veterans' Administration under section 200 of the Act of June 29, 1936 (Public Law Numbered 844, Seventy-fourth Congress). Such board shall have authority, except in the case of a discharge or dismissal by reason of the sentence of a general court martial, to change, correct, or modify any discharge or dismissal, and to issue a new discharge in accord with the facts presented to the board. The Articles of War and the Articles for the Govern-

Act of June 22,
1944.

¹ On the general subject of review of records see sec. 207 of the Legislative Reorganization Act of 1946, as amended by Public Law 220, 82d Cong., October 25, 1951, relative to correction of military or naval records by civilian boards within the service departments.

² See footnote 4, p. 50.

³ Now "Department of the Army" pursuant to section 205 (a), Public Law 253, 80th Cong., July 26, 1947.

Added by
Public Law
675, 79th
Cong., August
8, 1946.

Act of June 22,
1944, as
amended by
sec. 4, Public
Law 268, 79th
Cong., Decem-
ber 28, 1945.

Act of June 22,
1944.

Act of June 22,
1944.

ment of the Navy are hereby amended to authorize the Secretary of War¹ and the Secretary of the Navy to establish such boards of review, the findings thereof to be final subject only to review by the Secretary of War¹ or the Secretary of the Navy, respectively: *Provided*, That no request for review by such board of a discharge or dismissal under the provisions of this section shall be valid unless filed within fifteen years after such discharge or dismissal or within fifteen years after the effective date of this Act whichever be the later: *And provided further*, That the authority conferred upon the Secretary of War¹ and the Secretary of the Navy by this section shall vest in and be exercised by the Secretary of the Treasury, at such times as the Coast Guard is operating under the Treasury Department, with respect to the discharge or dismissal of former personnel of the Coast Guard, and that the findings of boards established pursuant to such authority shall be final subject only to review by the Secretary of the Treasury.

SEC. 302 (38 U. S. C. 693i). (a) The Secretary of War,¹ the Secretary of the Navy, and the Secretary of the Treasury are authorized and directed to establish, from time to time, boards of review composed of five commissioned officers, two of whom shall be selected from the Medical Corps of the Army or Navy, or from the Public Health Service, as the case may be. It shall be the duty of any such board to review, at the request of any officer retired or released from active service, without pay, for physical disability pursuant to the decision of a retiring board, board of medical survey, or disposition board, the findings and decisions of such board. Such review shall be based upon all available service records relating to the officer requesting such review, and such other evidence as may be presented by such officer. Witnesses shall be permitted to present testimony either in person or by affidavit, and the officer requesting review shall be allowed to appear before such board of review in person or by counsel. In carrying out its duties under this section such board of review shall have the same powers as exercised by, or vested in, the board whose findings and decision are being reviewed. The proceedings and decision of each such board of review affirming or reversing the decision of any such retiring board, board of medical survey, or disposition board shall be transmitted to the Secretary of War,¹ the Secretary of the Navy, or the Secretary of the Treasury, as the case may be, and shall be laid by him before the President for his approval or disapproval and orders in the case.

(b) No request for review under this section shall be valid unless filed within fifteen years after the date of retirement for disability or after the effective date of this Act, whichever is the later.

(c) As used in this section—

(1) the term "officer" means any officer subject to the laws granting retirement for active service in the Army, Navy, Marine Corps, or Coast Guard, or any of their respective components;

(2) the term "counsel" shall have the same meaning as when used in section 301 of this Act.

TITLE II

CHAPTER IV—EDUCATION OF VETERANS²

Act of June 22,
1944.

SEC. 400. (a) Subsection (f) of section 1, title I, Public Law Numbered 2, Seventy-third Congress, added by the Act of March

¹ See footnote 4, p. 50.

² See Public Law 697, 79th Cong., August 8, 1946, re educational facilities to institutions furnishing courses under Title II.

24, 1943 (Public Law Numbered 16, Seventy-eighth Congress), is hereby amended to read as follows:

"(f) (38 U. S. C. 701) Any person who served in the active military or naval forces on or after September 16, 1940, and prior to the termination of hostilities in the present war¹ shall be entitled to vocational rehabilitation subject to the provisions and limitations of Veterans Regulation Numbered 1 (a), as amended, part VII,² or to education or training subject to the provisions and limitations of part VIII."

(b) Veterans Regulation Numbered 1 (a), is hereby amended by adding a new part VIII as follows (38 U. S. C., chap. 12 appendix):

"PART VIII"

"1. Any person who served in the active military or naval service on or after September 16, 1940, and prior to the termination of the present war,¹ and who shall have been discharged or released therefrom under conditions other than dishonorable, and who either shall have served ninety days or more, exclusive of any period he was assigned for a course of education or training under the Army specialized training program or the Navy college training program, which course was a continuation of his civilian course and was pursued to completion, or as a cadet or midshipman at one of the service academies, or shall have been discharged or released from active service by reason of an actual service-incurred injury or disability, shall be eligible for and entitled to receive education or training under this part: *Provided*, That such course shall be initiated not later than four years after either the date of his discharge or the termination of the present war,¹ whichever is the later: *Provided further*, That no such education or training shall be afforded beyond nine years after the termination of the present war.¹

As amended by
sec. 5 (a),
Public Law
268, 79th
Cong., Decem-
ber 28, 1945.

"2. Any such eligible person shall be entitled to education or training at an approved educational or training institution for a period of one year plus the time such person was in the active service on or after September 16, 1940, and before the termination of the war,¹ exclusive of any period he was assigned for a course of education or training under the Army specialized training program or the Navy college training program, which course was a continuation of his civilian course and was pursued to completion, or as a cadet or midshipman at one of the service academies, but in no event shall the total period of education or training exceed four years: *Provided*, That his work continues to be satisfactory throughout the period, according to the regularly prescribed standards and practices of the institution; *Provided further*, That wherever the period of eligibility ends during a quarter or semester and after a major part of such quarter or semester has expired, such period shall be extended to the termination of such unexpired quarter or semester.

As amended by
sec. 5 (b),
Public Law
268, 79th
Cong., Decem-
ber 28, 1945.

"3. (a) Such person shall be eligible for and entitled to such course of education or training, full time or the equivalent thereof in part-time training, as he may elect, and at any approved edu-

As amended by
sec. 5 (c),
Public Law
268, 79th
Cong., Decem-
ber 28, 1945.

¹ Termination of the war fixed at July 25, 1947, by Public Law 239, 80th Cong., July 25, 1947.

² Vocational rehabilitation for service-connected disability under Public Law 16, 78th Cong.

³ The Supplemental Independent Offices Appropriation Act, 1949 (Public Law 862, 80th Cong., June 30, 1948), prohibited the use of its appropriation for avocational or recreational courses. The Independent Offices Appropriation Act, 1950 (Public Law 266, 81st Cong., August 24, 1949), contained a similar limitation plus a prohibition against use of its appropriation for payment of benefits where institution is in operation less than 1 year immediately prior to enrollment, or where the institution had no customary tuition until a fair and reasonable rate was determined. Public Law 266 contained a definition of "customary cost" and provided an appeals procedure to "Veterans' Tuition Appeals Board" from determination relative to the rate of tuition.

cational or training institution at which he chooses to enroll, whether or not located in the State in which he resides, which will accept or retain him as a student or trainee in any field or branch of knowledge which such institution finds him qualified to undertake or pursue: *Provided*, That, for reasons satisfactory to the Administrator, he may change a course of instruction: *And provided further*, That any such course of education or training may be discontinued at any time, if it is found by the Administrator that, according to the regularly prescribed standards and practices of the institution, the conduct or progress of such person is unsatisfactory.

Added by sec. 5 (c), Public Law 268, 79th Cong., December 28, 1945.

"(b) Any such eligible person may apply for a short, intensive postgraduate, or training course of less than thirty weeks: *Provided*, That the Administrator shall have the authority to contract with approved institutions for such courses if he finds that the agreed cost of such courses is reasonable and fair: *Provided further*, That (1) the limitation of paragraph 5 shall not prevent the payment of such agreed rates, but there shall be charged against the veteran's period of eligibility the proportion of an ordinary school year which the cost of the course bears to \$500, and (2) not in excess of \$500 shall be paid for any such course.

Added by sec. 5 (c), Public Law 268, 79th Cong., December 28, 1945.

"(c) Any such eligible person may apply for a course of instruction by correspondence without any subsistence allowance: *Provided*, That the Administrator shall have authority to contract with approved institutions for such courses if he finds that the agreed cost of such courses is reasonable and fair: *Provided further*, (1) That the provisions of paragraph 5 shall not apply to correspondence courses; (2) that one-fourth of the elapsed time in following such course shall be charged against the veteran's period of eligibility; and (3) that the total amount payable for a correspondence course or courses for any veteran shall not exceed \$500: *And provided further*, That nothing herein shall be construed to preclude the use of approved correspondence courses as a part of institutional or job training, subject to regulations prescribed by the Administrator.

Act of June 22, 1944, as amended by sec. 1, Public Law 377, 80th Cong., August 6, 1947.

"4. From time to time the Administrator shall secure from the appropriate agency of each State a list of the educational and training institutions (including industrial establishments), within such jurisdiction, which are qualified and equipped to furnish education or training (including apprenticeship, refresher or retraining and institutional on-farm training), which institutions, together with such additional ones as may be recognized and approved by the Administrator, shall be deemed qualified and approved to furnish education or training to such persons as shall enroll under this part: *Provided*, That wherever there are established State apprenticeship agencies expressly charged by State laws to administer apprentice training, whenever possible, the Administrator shall utilize such existing facilities and services in training on the job when such training is of one year's duration or more.

As amended by sec. 5 (d), Public Law 268, 79th Cong., December 28, 1945; and sec. 2, Public Law 377, 80th Cong., August 6, 1947; sec. 1 of Public Law 571, 81st Cong., June 23, 1950; and sec. 7, Public Law 610, 81st Cong., July 13, 1950.

"5. (a) The Administrator shall pay to the educational or training institution (including the institution offering institutional on-farm training), for each person enrolled in full time or part time course of education or training, the customary cost of tuition, and such laboratory, library, health, infirmary, and other similar fees as are customarily charged, and may pay for books, supplies, equipment, and other necessary expenses, exclusive of board, lodging, other living expenses, and travel, as are generally required for the successful pursuit and completion of the course by other students in the institution: *Provided*, That in no event shall such payments, with respect to any person, exceed \$500 for an ordinary school year unless the veteran elects to have such customary charges paid in excess of such limitation, in which event there shall be charged against his period of eligibility the proportion of an ordinary school year which such

excess bears to \$500: *Provided further*, That no payments shall be made to institutions, business or other establishments furnishing apprentice training on the job: *And provided further*, That any institution may apply to the Administrator for an adjustment of tuition and the Administrator, if he finds that the customary tuition charges are insufficient to permit the institution to furnish education or training to eligible veterans, or inadequate compensation therefor, may provide for the payment of such fair and reasonable compensation as will not exceed the estimated cost of teaching personnel and supplies for instruction; and may in like manner readjust such payments from time to time. In the computation of such estimated cost of teaching personnel and supplies for instruction in the case of any college of agriculture and the mechanic arts, no reduction shall be made by reason of any payments to such college from funds made available pursuant to the Act entitled 'An Act donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and the mechanic arts', approved July 2, 1862, as amended and supplemented (U. S. C., 1946 edition, title 7, secs. 30-329, inclusive); and in the computation of such estimated cost of teaching personnel and supplies for instruction in the case of any nonprofit educational institution, no reduction shall be made by reason of any payments to such institution from State or municipal or other non-Federal public funds, or from private endowments or gifts or other income from nonpublic sources:¹ *And provided further*, That for the purpose of applying the governing statutes and applicable regulations of the Veterans' Administration respecting the payment of tuition and other charges, in the case of nonprofit institutions, any institution shall be regarded as a nonprofit institution if it is exempt from taxation under paragraph (6), section 101, of the Internal Revenue Code, whether it was certified as such by the Bureau of Internal Revenue before or subsequent to June 22, 1944: *And provided further*, That for the purpose of applying the governing statutes and applicable regulations of the Veterans' Administration respecting the payment of tuition and other charges, any professional or graduate school which has been continuously affiliated with an educational institution since June 22, 1944, may elect to be subject to the nonresident tuition rates established for such educational institution, with respect to payments made for tuition during any school year beginning on or after August 1, 1949, even though the administrative function of such school is separate and distinct from that of the institution with which it is affiliated.

"(b) In any case where it is found that an overpayment to a veteran of subsistence allowance (which overpayment has not been recovered or waived) is proved in a hearing before the Committee on Waivers of the appropriate Veterans' Administration regional office to be the result of willful or negligent failure of the school to report, as required by applicable regulation or contract, to the Veterans' Administration unauthorized or excessive absences from a course, or discontinuance or interruption of a course by the veteran, the amount of such overpayment shall, at the discretion of the Administrator, constitute a liability of the school for such failure to report, and may be recovered by an off-set from amounts otherwise due the school or in other appropriate action: *Provided*, That any amount so collected shall be reimbursed if the overpayment is received from the veteran. This amendment shall be construed as applying only to matters arising after the effective date of this amendment, and shall not preclude the imposition of any civil or criminal action under any other statute.

Added by sec. 3,
Public Law
610, 81st Cong.,
July 13, 1950.

Added by sec. 7.,
Public Law
610, 81st Cong.,
July 13, 1950.

¹ This sentence made effective as of December 28, 1945, by Public Law 571, 81st Cong., June 23, 1950.

As amended by sec. 5 (e), Public Law 268, 79th Cong., December 28, 1945; sec. 2, Public Law 679, 79th Cong., August 8, 1946; sec. 3, Public Law 377, 80th Cong., August 6, 1947; sec. 1, Public Law 411, 80th Cong., February 14, 1948; sec. 1, Public Law 512, 80th Cong., May 4, 1948, and sec. 6, Public Law 610, 81st Cong., July 13, 1950.

Added by sec. 6, Public Law 610, 81st Cong., July 13, 1950.

As amended by sec. 5 (f), Public Law 268, 79th Cong., December 28, 1945.

Act of June 22, 1944.

"6. (a) While enrolled in and pursuing a course under this part (including an institutional on-farm training course), such person, upon application to the Administrator, shall be paid a subsistence allowance of \$65 per month, if without a dependent or dependents, or \$90 per month, if he has a dependent or dependents, including regular holidays and leave not exceeding thirty days in a calendar year: Except, That (1) while so enrolled and pursuing a course of full-time institutional training, such person, shall be paid a subsistence allowance of \$75 per month, if without a dependent or dependents, or \$105 per month if he has one dependent or \$120 per month if he has more than one dependent, and (2) while so enrolled and pursuing a course of part-time institutional training, including a course of institutional on-farm training, or other combination course, such person shall be paid, subject to the limitations of this paragraph, additional subsistence allowance in an amount bearing the same relation to the difference between the basic rates and the increased rates provided in (1) hereof as the institutional training part of such course bears to a course of full-time institutional training. Such person attending a course on a part-time basis, and such person receiving compensation for productive labor whether performed as part of his apprentice or other training on the job at institutions, business or other establishments, or otherwise, shall be entitled to receive such lesser sums, if any, as subsistence or dependency allowances as may be determined by the Administrator: *Provided*, That in no event shall the rate of such allowance plus the compensation received exceed \$210 per month for a veteran without a dependent, or \$270 per month for a veteran with one dependent, or \$290 for a veteran with two or more dependents: *Provided further*, That only so much of the compensation as is derived from productive labor based on the standard workweek for the particular trade or industry, exclusive of overtime, shall be considered in computing the rate of allowances payable under this paragraph.¹

"(b)² For the purpose of this part, a trade or technical course, offered on a clock-hour basis below the college level, involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of 30 hours per week of attendance is required with not more than 30 minutes of rest period per day allowed. A course offered on a clock-hour basis below the college level in which theoretical or classroom instruction predominates shall be considered a full-time course when a minimum of 25 hours per week net of instruction is required. The provisions of the first sentence of this subparagraph shall not be applicable prior to July 1, 1951, in the case of any school or institution in which, for a period of 1 year immediately preceding the date of enactment of the Veterans' Education and Training Amendments of 1950, a minimum of 25 hours per week of attendance was required for any course in compliance with regulations of the Veterans' Administration."

"7. Any such person eligible for the benefits of this part, who is also eligible for the benefit of part VII, may elect either benefit or may be provided an approved combination of such courses: *Provided*, That the total period of any such combined courses shall not exceed the maximum period or limitations under the part affording the greater period of eligibility.

"8. No department, agency, or officer of the United States, in carrying out the provisions of this part, shall exercise any supervision or control, whatsoever, over any State educational agency, or State apprenticeship agency, or any educational or training institution: *Provided*, That nothing in this section shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or control which such depart-

¹ Sec. 3 of Public Law 512, 80th Cong., provides that this Act shall take effect April 1, 1948.

² Effective October 1, 1950.

ment, agency, or officer is authorized, by existing provisions of law, to exercise over any Federal educational or training institution, or to prevent the furnishing of education or training under this part in any institution over which supervision or control is exercised by such other department, agency, or officer under authority of existing provisions of law.

"9. The Administrator of Veterans' Affairs is authorized and empowered to administer this title, and, insofar as he deems practicable, shall utilize existing facilities and services of Federal and State departments and agencies on the basis of mutual agreements with them. Consistent with and subject to the provisions and limitations set forth in this title, the Administrator shall, from time to time, prescribe and promulgate such rules and regulations as may be necessary to carry out its purposes and provisions: *Provided*, That except as provided in this amendment, no regulation or other purported construction of title II of the Servicemen's Readjustment Act of 1944, as amended, shall be deemed consistent therewith which denies or is designed to deny to any eligible person, or limit any eligible person in, his right to select such course or courses as he may desire, during the full period of his entitlement or any remaining part thereof, in any approved educational or training institution or institutions, whether such courses are full time, part time, or correspondence courses: *Provided further*—

Act of June 22,
1944.

Added by sec. 1,
Public Law
610, 81st Cong.,
July 13, 1950.

"A. That the Administrator shall disapprove a course in any institution which has been in operation for a period of less than one year immediately prior to the date of enrollment in such course unless such enrollment was prior to August 24, 1949, but this shall not require or permit the disapproval of (a) any course in a public school or other tax-supported school, (b) any course in an institution which has been in operation for a period of more than one year which does not completely depart from the whole character of the instruction previously given by such institution, or (c) any course in an institution which has been in operation for a period of more than one year, by reason of a change in the location of such institution from one point to another within the same general locality: *Provided*, That upon the certification of any State approval agency, that a new or existing institution is essential to meet the requirements of veterans in such State, the Administrator in his discretion may approve such an institution notwithstanding the provisions of this paragraph;

"B. That in accordance with the provisions of paragraph 3 (a) of this part, the Administrator may, for reasons satisfactory to him, disapprove a change of course of instruction, and may discontinue any course of education or training if he finds that according to the regularly prescribed standards of the institution the conduct or progress of such person is unsatisfactory;

"C. That if any eligible veteran, who has completed or discontinued (for any reason other than unsatisfactory conduct or progress) a course of education or training, applies for an additional course in the same or any other field of education or training, the Administrator may deny initiation of such course only if he finds (1) that it is precluded by the first proviso, paragraph 1 of this part VIII, as amended, or (2) that it is not in the same general field as his original educational or occupational objective, and that such veteran has already made one change from one general field to another, or (3) that it is precluded by limitation of paragraph D below: *Provided*, That, in any case in which the veteran has already made one change from one general field to another, the Administrator may require advisement and guidance before approving another such change, but where the Administrator requires such advisement and guidance and the veteran is not notified of the decision of the Administrator

within forty-five days following the date of application for such change, such change shall be deemed to have been approved;

"D. That the Administrator shall refuse approval to any course elected or commenced by a veteran on or subsequent to July 1, 1948, which is avocational or recreational in character. The following courses shall be presumed to be avocational or recreational in character: Dancing courses; photography courses; glider courses; bartending courses; personality-development courses; entertainment courses; music courses—instrumental and vocal; public-speaking courses; and courses in sports and athletics such as horseback riding, swimming, fishing, skiing, golf, baseball, tennis, bowling, and sports-officiating (except applied music, physical education, or public-speaking courses which are offered by institutions of higher learning for credit as an integral part of a course leading to an educational objective); but no such course shall be considered to be avocational or recreational in character if the veteran submits complete justification that such course will contribute to bona fide use in the veteran's present or contemplated business or occupation; and the Administrator may find any other course to be avocational or recreational in character, but no such other course shall be considered avocational or recreational in character when a certificate in the form of an affidavit supported by corroborating affidavits by two competent disinterested persons has been furnished by a physically qualified veteran stating that such education or training will be useful to him in connection with earning a livelihood. Notwithstanding the foregoing provisions of this paragraph, education or training for the purpose of teaching a veteran to fly or related aviation courses in connection with his present or contemplated business or occupation shall not, in the absence of substantial evidence to the contrary, be considered avocational or recreational when a certificate in the form of an affidavit supported by corroborating affidavits by two competent disinterested persons, has been furnished by a physically qualified veteran stating that such education or training will be useful to him in connection with earning a livelihood.

Act of June 22,
1944.

"10. The Administrator may arrange for educational and vocational guidance to persons eligible for education and training under this part. At such intervals as he deems necessary, he shall make available information respecting the need for general education and for trained personnel in the various crafts, trades, and professions: *Provided*, That facilities of other Federal agencies collecting such information shall be utilized to the extent he deems practicable.

Act of June 22,
1944, as
amended by
sec. 3, Public
Law 679, 79th
Cong., August
8, 1946.

"11. (a) As used in this part, the term 'educational or training institutions' shall include all public or private elementary, secondary, and other schools furnishing education for adults, business schools and colleges, scientific and technical institutions, colleges, vocational schools, junior colleges, teachers colleges, normal schools, professional schools, universities, and other educational institutions, and shall also include business or other establishments providing apprentice or other training on the job, including those under the supervision of an approved college or university or any State department of education, or any State apprenticeship agency or State board of vocational education, or any State apprenticeship council or the Federal Apprentice Training Service established in accordance with Public Law Numbered 308, Seventy-fifth Congress, or any agency in the executive branch of the Federal Government authorized under other laws to supervise such training.

"(b) As used in this part the term 'Other training on the job' shall include courses offered by establishments approved by the appropriate agency of the State or the Administrator whenever

such courses of training on the job are furnished in accordance with the following provisions:

"1. Any establishment desiring to undertake an on-the-job training program will be required to submit to the appropriate State approving agency a written application setting forth the course of training for each job for which a veteran is to be trained. The written application covering the training program will include the following:

"a. Title and description of the specific job objective for which the veteran is to be trained.

"b. Length of the training period.

"c. Schedule listing various operations for major kinds of work or tasks to be learned and showing for each, job operations or work, tasks to be performed, and the approximate length of time to be spent on each operation or task.

"d. Wage or salary to be paid at the beginning of the training program, at each successive step in the program, and at the completion of training.

"e. Entrance wage or salary paid by the establishment to employees already trained in the kind of work for which the veteran is to be trained.

"f. Number of hours of supplemental instructions required.

"2. The appropriate approving agency of the State or the Administrator may approve the application of the establishment when such establishment is found upon investigation to have met or made provision for meeting the following criteria:

"a. The training content of the program is adequate to qualify the veteran for appointment to the job for which he is to be trained.

"b. There is reasonable certainty that the job for which the veteran is to be trained will be available to him at the end of the training period.

"c. The job is one in which progression and appointment to the next higher classification are based upon skills learned through organized training on the job and not on such factors as length of service and normal turnover.

"d. The wages to be paid the veteran for each successive period of training are not less than those customarily paid in the establishment and the community to a learner in the same job and who is not a veteran and are in conformity with State and Federal laws and applicable bargaining agreements.

"e. The job customarily requires a period of training of not less than three months and not more than two years of full-time training.

"f. The length of the training period is no longer than that customarily required by the establishment and other establishments in the community to provide the trainee with the required skills, arrange for the acquiring of job knowledge, technical information, and other facts which the trainee will need to learn in order to become competent on the job for which he is being trained.

"g. Provision is made for related instruction for the individual veteran who may need it.

"h. There is in the establishment adequate space, equipment, instructional material, and instructor personnel to provide satisfactory training on the job.

"i. Adequate records are kept to show the progress made by the veteran toward his job objective and a periodic report showing the conduct and progress made in the course of training on the job will be provided for the Veterans' Administration.

"j. Appropriate credit is given the veteran for previous job experience, whether in the military service or elsewhere, his beginning wage adjusted to the level to which such credit advances him and his training period shortened accordingly. No course of training will be considered bona fide if given to a veteran who is already qualified by training and experience for the job objective.

"k. A copy of the training program as approved by the State agency is provided to the veteran and to the Veterans' Administration by the employer.

"l. Upon completion of the training the veteran is given a certificate by the employer indicating the length and type of training provided and that the veteran has completed the course of training on the job satisfactorily.

"3. The Veterans' Administration is not authorized to award the benefits under this part, if it is found by the Administrator that the course of apprentice training or other training on the job fails to meet the requirements of this paragraph.

Added by sec.
4, Public Law
377, 80th
Cong., August
6, 1947.

"(c) As used in this part the term 'institutional on-farm training' shall include any course of instruction approved by the appropriate agency of the State or the Administrator. Such course shall be considered a full-time course when it combines (1) organized group instruction in agricultural and related subjects of at least two hundred hours per year (and of at least eight hours each month) at an educational or training institution, with (2) supervised work experience on a farm or other agricultural establishment. To be approved, such a course shall be developed with due consideration to the size and character of the farm on which the veteran is to receive his supervised work experience and to the need of the veteran, in the type of farming for which he is training, for proficiency in planning, producing, marketing, farm mechanics, conservation of resources, food conservation, farm financing, farm management, and the keeping of farm and home accounts. Such a course shall, in addition, satisfy the requirements of either of the following:

"1. If the veteran performs part of his course on a farm under his own control—

"a. he shall receive not less than one hundred hours of individual instruction per year, not less than fifty hours of which shall be on such farm (with at least two visits by the instructor to such farm each month). Such individual instruction shall be given by the instructor responsible for the veteran's institutional instruction and shall include instruction and home-study assignments in the preparation of budgets, inventories, and statements showing the production, use on the farm, and sale of crops, livestock, and livestock products;

"b. he shall be assured of control of such farm (whether by ownership, lease, management, agreement, or other tenure arrangement) until the completion of his course; and

"c. such farm shall be of a size and character which (1) together with the group instruction part of the course, will occupy the full time of the veteran, (2) will permit instruction in all aspects of the management of a farm of the type for which the veteran is being trained, and (3) if the veteran intends to continue operating such farm at the close of his course, will assure him a satisfactory income under normal conditions.

"2. If the veteran performs part of his course as the employee of another—

"a. he shall receive, on his employer's farm, not less than fifty hours of individual instruction per year (with at least one visit by the instructor to such farm each month). Such individual instruction shall be given by the instructor responsible for the veteran's institutional instruction;

"b. his employer's farm shall be of a size and character which (1) together with the group instruction part of the course, will occupy the full time of the veteran, and (2) will permit instruction in all aspects of the management of a farm of the type for which the veteran is being trained;

"c. his employer shall agree to instruct him in various aspects of farm management in accordance with the training schedule developed for the veteran by his instructor, working in cooperation with his employer. If it is found by the Ad-

Administrator of Veterans' Affairs or the State approving agency that any approved course of institutional on-farm training has ceased to meet the requirements of this Act, the Veterans' Administration shall cut off all benefits under this part as of the date of such withdrawal of approval. Where it has been found that a variation in the proportion of hours of group instruction and individual instruction on the farm will better serve the conditions in a certain area, any program acceptable to the State approving agency which meets the total number of training hours called for in this Act (including assembled instruction, individual instruction, and assigned and supervised related home study and supervision in operational skills by the farmer trainer under the direction of the institution) shall be recognized as complying with the requirements of this Act; and

"d. The Administrator of Veterans' Affairs is authorized to contract with approved institutions for such courses where the Administrator finds that the agreed cost is reasonable and fair.

"(d) As used in this part, the term 'customary cost of tuition' or 'customary charges' or 'customary tuition charges' shall mean that charge which an educational or training institution requires a nonveteran enrollee similarly circumstanced to pay as and for tuition for a course, except that the institution (other than a nonprofit institution of higher learning) is not regarded as having a 'customary cost of tuition' for the course or courses in question in the following circumstances:

Added by sec. 2
of Public Law
610, 81st Cong.,
July 13, 1950.

"(A) Where the majority of the enrollment of the educational and training institution in the course in question consists of veterans in training under Public Laws 16 and 346, Seventy-eighth Congress, as amended; and

"(B) One of the following conditions prevails:

"1. The institution has been established subsequent to June 22, 1944.

"2. The institution, although established prior to June 22, 1944, has not been in continuous operation since that date.

"3. The institution, although established prior to June 22, 1944, has subsequently increased its total tuition charges for the course to all students more than 25 per centum.

"4. The course (or a course of substantially the same length and character) was not provided for nonveteran students by the institution prior to June 22, 1944.

"For any course of education or training for which the educational or training institution involved has no customary cost of tuition, a fair and reasonable rate of payment for tuition, fees, or other charges for such course shall be determined by the Administrator. In any case in which one or more contracts providing a rate or rates of tuition have been entered into in two successive years, the rate established by the most recent contract shall be considered to be the customary cost of tuition notwithstanding the definition of 'customary cost of tuition' as hereinbefore set forth. For the purpose of the preceding sentence 'contract' shall include contracts under Public Law 16 (Seventy-eighth Congress, March 24, 1943), Public Law 346 (Seventy-eighth Congress, June 22, 1944), or any other agreement in writing on the basis of which tuition payments have been made from the Treasury of the United States. If the Administrator finds that any institution has no customary cost of tuition he shall forthwith fix and pay or cause to be paid a fair and reasonable rate of payment for tuition, fees, and other charges for the courses offered by such institution. Any educational or training institution which is dissatisfied with a determination of a rate of payment for tuition, fees, or other charges under the foregoing provisions of this paragraph, or with any other action of the Administrator

under the amendments made by the Veterans' Education and Training Amendments of 1950, shall be entitled, upon application therefor, to a review of such determination or action (including the determination with respect to whether there is a customary cost of tuition) by a board to be known as the 'Veterans' Education Appeals Board' consisting of three members appointed by the President. Members of the Board shall receive, out of appropriations available for administrative expenses of the Veterans' Administration, compensation at the rate of \$50 for each day actually spent by them in the work of the Board, together with necessary travel and subsistence expenses. The Administrator of Veterans' Affairs shall provide for the Board such stenographic, clerical, and other assistance and such facilities and services as may be necessary for the discharge of its functions. Such Board shall be subject, in respect to hearings, appeals, and all other actions and qualifications, to the provisions of sections 5 to 11, inclusive, of the Administrative Procedure Act, approved June 11, 1946, as amended. The decision of such Board with respect to all matters shall constitute the final administrative determination. In no event shall the Board fix a rate of payment in excess of the maximum amount allowable under the Servicemen's Readjustment Act of 1944, as amended. Nothing contained in these amendments shall in any way affect the provisions of the first proviso in paragraph 1 of this part VIII, as amended.

"Any institution having a 'customary cost of tuition' established under this part may revise and improve an existing course (or establish a new related course) of substantially the same length and character subject to the same customary cost of tuition: *Provided*, That nothing in the foregoing amendments shall be construed to affect adversely any legal rights which have accrued prior to the date of enactment of the Veterans' Education and Training Amendments of 1950, or to affect payments to educational or training institutions under contracts in effect on such date: *Provided further*, That during negotiations for a contract, and during the pendency of any appeal which a school may make, the Veterans' Administration shall continue to make further payments to the school in such amount as the Administrator considers to be 'fair and reasonable', but not less than 75 per centum of the most recent rate paid to the school.

"Any educational or training institution which has a contract covering any period subsequent to August 24, 1949, shall be entitled to a review by the Veterans' Education Appeals Board of the rate of tuition, fees and other charges established in such contract. Application for such review must be made within sixty days following the date of enactment of the Veterans' Education and Training Amendments of 1950."

"(e)¹ 1. In order to secure or retain approval to train veterans, any school operated for profit which, during any period, has fewer than twenty-five students, or one-fourth of the students enrolled (whichever is larger), paying their own tuition, in addition to meeting all requirements of existing law, will be required to submit to the appropriate State approving agency a written application, in form and contents prescribed by the State approving agency, setting forth the course or courses of training. The written application covering each course must include the following:

"a. Title of the course and specific description of the objective for which given.

"b. Length of course.

"c. A detailed curriculum showing subjects taught, type of work or skills to be learned, and approximate length of time to be spent on each.

"d. A showing of educational and experience qualifications of the instructors.

Added by sec. 5,
Public Law
610, 81st Cong.,
July 13, 1950.

¹ Effective October 1, 1950.

"e. A description of space, facilities, and equipment used for the course.

"f. A statement of the maximum number of students proposed to be trained in the course at one time.

"g. A statement of the educational prerequisite for such a course.

"2. The appropriate approving agency of the State or the Administrator may approve the application of such school when the school is found upon investigation to have met the following criteria:

"a. The curriculum and instruction are consistent in quality, content, and length with similar courses in the public schools or other private schools with recognized and accepted standards.

"b. There is in the school adequate space, equipment, instructional material, and instructor personnel to provide satisfactory training. When approval is given, it shall state the maximum number authorized to be trained in each course.

"c. Educational and experience qualifications of the instructor are adequate as determined by the State approval agency.

"d. Adequate records are kept to show attendance, progress, and conduct, with periodic report to be provided to the Veterans' Administration; and there are clearly stated and enforced standards of attendance, progress, and conduct.

"e. Appropriate credit is given for previous training or experience, with training period shortened proportionately. No course of training will be considered bona fide as to a veteran who is already qualified by training and experience for the course objective.

"f. A copy of curriculum as approved is provided to the veteran and the Veterans' Administration by the school.

"g. Upon completion of the training, the veteran is given a certificate by the school indicating the approved course, title, and length, and that the training was completed satisfactorily.

"h. Such additional criteria established by the State approving agency as it may deem necessary for approval of schools training veterans under this part.

"3. No new course, or additions to the capacity of an existing course, in any school operated for profit, shall be approved if the State approving agency shall determine that the occupation for which the course is intended to provide training is crowded in the State where the training is to be given and that existing training facilities are adequate.

"4. The Veterans' Administration is not authorized to award benefits under this part if it is found by the appropriate State approving agency that the course offered by a school operated for profit fails to meet the applicable requirements of this subparagraph (e); but the findings of the State approving agency on such requirements shall be final.

"12. For the purposes of this part, the present war shall not be considered as terminating, in the case of any individual, before the termination of such individual's first period of enlistment or reenlistment contracted within one year after the date of the enactment of the Armed Forces Voluntary Recruitment Act of 1945."¹

SEC. 401. Section 3, Public Law Numbered 16, Seventy-eighth Congress, is hereby amended to read as follows:

"SEC. 3. The appropriation for the Veterans' Administration, 'Salaries and expenses, medical and hospital, and compensation and pensions,' shall be available for necessary expenses under part VII, as amended, or part VIII of Veterans Regulation Numbered 1 (a), and there is hereby authorized to be appropriated such additional amount or amounts as may be necessary to accomplish

Added by sec.
11 (a). Public
Law 190, 79th
Cong., October
6, 1945.

Act of June 22,
1944.

¹ Subparagraph 12 excepted from Public Law 239, 80th Cong., July 25, 1947, establishing date of termination of the war for certain purposes.

the purposes thereof. Such expenses may include, subject to regulations issued by the Administrator and in addition to medical care, treatment, hospitalization, and prosthesis, otherwise authorized, such care, treatment, and supplies as may be necessary to accomplish the purposes of part VII,¹ as amended, or part VIII of Veterans Regulation Numbered 1 (a). Any such appropriation shall also be available for use by the Administrator in reimbursing State and local agencies for reasonable expenses incurred by them in (1) rendering necessary services in ascertaining the qualifications of industrial establishments for furnishing on-the-job training to veterans under the provisions of part VIII of such regulation, and in the supervision of industrial establishments furnishing such training, or (2) furnishing, at the request of the Administrator, any other services or facilities in connection with the administration of programs for training on the job under such provisions, or (3) furnishing, at the request of the Administrator, information concerning educational opportunities available in schools and colleges."²

Added by sec. 1.
Public Law
679, 79th
Cong., August
8, 1946.

Act of June 22,
1944.

SEC. 402. Public Law Numbered 16, Seventy-eighth Congress, is hereby amended by adding thereto a new section 4 to read as follows:

"SEC. 4. Any books, supplies, or equipment furnished a trainee or student under part VII or part VIII of Veterans Regulation Numbered 1 (a) shall be deemed released to him: *Provided*, That if he fail, because of fault on his part to complete the course of training or education afforded thereunder, he may be required, in the discretion of the Administrator, to return any or all of such books, supplies, or equipment not actually expended or to repay the reasonable value thereof: *Provided further*, That returned books, supplies, or equipment may be turned in to educational or training institutions for credit under such terms as may be approved by the Administrator, or disposed of in such other manner as may be approved by the Administrator."

Added by sec. 6
Public Law
268, 79th
Cong., Decem-
ber 28, 1945.

Act of June 22,
1944.

SEC. 403. Paragraph 1, part VII, Veterans Regulation Numbered 1 (a) (Public Law Numbered 16, Seventy-eighth Congress), is hereby amended by inserting after the word "time" the words "on or" and deleting the date "December 6, 1941" and substituting therefor the date "September 16, 1940."³

¹ Public Law 660, 80th Cong., June 16, 1948, authorizes commutation of travel expenses on a mileage basis in connection with vocational rehabilitation.

² Sec. 4 of Public Law 610, July 13, 1950, added: "or (4) rendering necessary services in ascertaining the qualifications of proprietary institutions for furnishing education and training under the provisions of part VIII of such regulation and in the supervision of such institutions".

³ Sec. 7 (a), Public Law 268, 79th Cong., further amended par. 1, pt. VII, and sec. 7 (b) amended par. 3, pt. VII. See text of Public Law 16, 78th Cong., as amended.

TITLE III—LOANS FOR THE PURCHASE OR CONSTRUCTION OF HOMES, FARMS, AND BUSINESS PROPERTY^{1 2 3 4}

CHAPTER V—GENERAL PROVISIONS FOR LOANS

SEC. 500 (38 U. S. C. 694). (a) Any person who shall have served in the active military or naval service of the United States at any time on or after September 16, 1940, and prior to the termination of the present war⁵ and who shall have been discharged or released therefrom under conditions other than dishonorable after active service of ninety days or more, or by reason of an injury or disability incurred in service in line of duty, shall be eligible for the benefits of this title. The unmarried widow of any person who met the service requirements for benefits under this title and who died, either in service or after separation from service under conditions other than dishonorable, as a result of injury or disease incurred in or aggravated by such service in line of duty (other than any such widow who by reason of her own service is eligible for the benefits of this title), shall also be eligible for the benefits of this title; and the term "veteran" as used in this title shall include any such unmarried widow. Any loan made by such veteran within ten years after the termination of the war⁵ for any of the purposes, and in compliance with the provisions, specified in this title, is automatically guaranteed by the Government by this title in an amount not exceeding fifty per centum of the loan: *Provided*, That the aggregate amount guaranteed shall not exceed \$2,000 in the case of non-real-estate loans, nor \$4,000 in the case of real-estate loans; or a prorated portion thereof on loans of both types or combination thereof. In computing the aggregate amount of guaranty or insurance entitlement available to a veteran under this title, the Administrator may in his discretion exclude the initial use of the guaranty or insurance entitlement used for any loan with respect to which the security (1) has been taken (by condemnation or otherwise) by the United States, any State, or a local government agency for public use, or (2) has been destroyed by fire or other natural hazard, or (3) has been disposed of because of other compelling reasons devoid of fault on the part of the veteran: *Provided*, That any amount paid by the Administrator under section 500 (c) of this part shall be deducted from the amount payable on the succeeding loan under that section.

(b) Loans guaranteed under this title shall be payable under such terms and conditions as may be agreed upon by the parties thereto, subject to the conditions and limitations of this title and the regulations issued pursuant to section 504: *Provided*, That the liability under the guaranty within the limitations of this title shall decrease or increase pro rata with any decrease or increase of the amount of the unpaid portion of the obligation: *Provided further*, That loans guaranteed under this title shall bear interest at a rate not exceeding 4 per centum per annum and shall be payable in full in not more than thirty years, or in

Act of June 22, 1944, as amended by sec. 8, Public Law 268, 79th Cong., December 28, 1945; and sec. 301 (a), Public Law 475, 81st Cong., April 20, 1950.

As amended by sec. 8, Public Law 268, 79th Cong., December 28, 1945; and sec. 301 (b) Public Law 475, 81st Cong., April 20, 1950.

¹ Public Law 702, 80th Cong., June 19, 1948, housing for paraplegics see sec. 2, subpar. 4, precluding denial to such veterans of benefits of title III hereof.

² See Public Law 349, 80th Cong., August 4, 1947, re Osage Indians.

³ See Public Law 372, 80th Cong., August 6, 1947, re investment of funds by Federal savings and loan associations.

⁴ See sec. 605, Public Law 774, 81st Cong., September 8, 1950, as amended by Public Law 96, 82d Cong., July 31, 1951, and Public Law 139, 82d Cong., September 1, 1951, which authorize the President to impose real estate credit controls on Government assisted financing, subject to the preservation of the relative credit preferences accorded veterans under existing law. Public Law 139, 82d Cong., provides that in the exercise of such controls no more than 4, 6, or 8 percent down payment shall be required on homes costing not in excess of \$7,000, \$10,000, or \$12,000, respectively, in connection with loans thereon made or guaranteed by the Veterans' Administration pursuant to the Servicemen's Readjustment Act of 1944, as amended.

⁵ See footnote 1, p. 54.

the case of loans on farm realty in not more than forty years: *And provided further*, That (1) the maturity on a non-real-estate loan shall not exceed ten years; (2) any loan for a term in excess of five years shall be amortized in accordance with established procedure; (3) except as provided in section 505 any real-estate loan, other than for repairs, alterations or improvements, shall be secured by a first lien on the realty, and a non-real-estate loan, except as to working or other capital, merchandise, goodwill and other intangible assets, shall be secured by personalty to the extent legal and practicable: *And provided further*, That the Administrator, with the approval of the Secretary of the Treasury, may prescribe by regulation a higher maximum rate of interest than otherwise prescribed in this section for loans guaranteed under this title, but not exceeding $4\frac{1}{2}$ per centum per annum, if he finds that the loan market demands it.

Added by sec. 103, Public Law 901, 80th Cong., August 10, 1948.

As amended by sec. 8, Public Law 268, 79th Cong., December 28, 1945.

(c) An honorable discharge shall be deemed a certificate of eligibility to apply for a guaranteed loan. Any veteran who does not have a discharge certificate, or who received a discharge other than honorable, may apply to the Administrator for a certificate of eligibility. Upon making a loan as provided herein, the lender shall forthwith transmit to the Administrator a statement setting forth the full name and serial number of the veteran, amount and terms of the loan, and the legal description of the property, together with the appraisal report made by the designated appraiser. Where the loan is automatically guaranteed, the Administrator shall provide the lender with a loan guaranty certificate or other evidence of the guaranty. He shall also endorse on the veteran's discharge, or eligibility certificate, the amount and type of guaranty used, and the amount, if any, remaining. An amount equivalent to 4 per centum on the amount originally guaranteed shall be paid to the lender by the Administrator out of available appropriations, to be credited upon the loan. Nothing herein shall be deemed to preclude the assignment of any guaranteed loan nor the assignment of the security therefor.

Added by sec. 11 (b), Public Law 190, 79th Cong., October 6, 1945; as amended by sec. 8, Public Law 268, 79th Cong., December 28, 1945; and sec. 301 (c), Public Law 475, 81st Cong., April 20, 1950.

(d)¹ Loans guaranteed hereunder may be made (1) by any Federal land bank, national bank, State bank, private bank, building and loan association, insurance company, credit union, or mortgage and loan company, that is subject to examination and supervision by an agency of the United States or of any State or Territory, including the District of Columbia, or (2) by any State. Any loan at least 20 per centum of which is guaranteed under this title may be made by any national bank, or Federal savings and loan association; or by any bank, trust company, building and loan association or insurance company organized or authorized to do business in the District of Columbia; without regard to the limitations and restrictions of any other statute with respect to—

- (1) ratio of amount of loan to the value of the property;
- (2) maturity of loan;
- (3) requirement for mortgage or other security;
- (4) dignity of lien; or
- (5) percentage of assets which may be invested in real estate loans.

Added by sec. 8, Public Law 268, 79th Cong., December 28, 1945.

(e) Any loan proposed to be made to an eligible veteran by any lender not of a class specified in subsection (d) may be guaranteed by the Administrator if he finds that it is in accord otherwise with the provisions of this title, as amended.

¹Sec. 500 (d), as added by sec. 11 (b), Public Law 190, 79th Cong., October 6, 1945, but not included in title III as amended by Public Law 268, 79th Cong., December 28, 1945, reads as follows:

"(d) For the purposes of this title, the present war shall not be considered as terminating, in the case of any individual, before the termination of such individual's first period of enlistment or reenlistment contracted within one year after the date of the enactment of the Armed Forces Voluntary Recruitment Act of 1945."

PURCHASE OR CONSTRUCTION OF HOMES

SEC. 501 (38 U. S. C. 694a). (a)¹ Any loan made to a veteran under this title, the proceeds of which are to be used for purchasing residential property or constructing a dwelling to be occupied as his home or for the purpose of making repairs, alterations, or improvements in property owned by him and occupied as his home, is automatically guaranteed if made pursuant to the provisions of this title, including the following:

(1) That the proceeds of such loan will be used for payment of the property purchased or constructed or improved;

(2) That the contemplated terms of payment required in any mortgage to be given in part payment of the purchase price or the construction cost bear a proper relation to the veteran's present and anticipated income and expenses; and that the nature and condition of the property is such as to be suitable for dwelling purposes; and

(3) That the price paid or to be paid by the veteran for such property or for the cost of construction, repairs, or alterations does not exceed the reasonable value thereof as determined by proper appraisal made by an appraiser designated by the Administrator.

(b) Any loan made under this title to a veteran who has not, after April 20, 1950, availed himself of the benefits of this title for the purpose of purchasing residential property or constructing a dwelling to be occupied as his home, the proceeds of which loan are to be used for that purpose, may, notwithstanding the provisions of subsection (a) of section 500 of this title relating to the percentage or aggregate amount of loan to be guaranteed, be guaranteed, if otherwise made pursuant to the provisions of this title, in an amount not exceeding sixty per centum of the loan: *Provided*, That the amount of any such guaranty shall not exceed \$7,500, less the amount with which the veteran's entitlement for real estate purposes is properly chargeable on account of prior loans, nor shall the gratuity payable under subsection (c) of section 500 of this title exceed that which is payable on loans guaranteed in accordance with the maxima provided for in subsection (a) of section 500 of this title.

Act of June 22, 1944, as amended by sec. 8, Public Law 268, 79th Cong., December 28, 1945; and sec. 301 (d), Public Law 475, 81st Cong., April 20, 1950.

As amended by sec. 613 (b), Public Law 139, 82d Cong., September 1, 1951.

PURCHASE OF FARMS AND FARM EQUIPMENT

SEC. 502.¹ (38 U. S. C. 694b). (a) Any loan made to a veteran under this title, the proceeds of which are to be used for purchasing any lands, buildings, livestock, equipment, machinery, supplies or implements, or for repairing, altering, constructing or improving any land, equipment, or building, including the farmhouse, to be used in farming operations conducted by the veteran involving production in excess of his own needs, or for working capital requirements necessary for such operations, or to purchase stock in a cooperative association where the purchase of such stock is required by Federal statute as an incident to obtaining the loan, is automatically guaranteed if made pursuant to the provisions of this title, including the following:

(1) That the proceeds of such loan will be used for any such purposes in connection with bona fide farming operations conducted by the applicant;

(2) That such property will be useful in and reasonably necessary for efficiently conducting such operations;

(3) That the ability and experience of the veteran, and the nature of the proposed farming operations to be conducted by him, are such that there is a reasonable likelihood that such operations will be successful; and

Act of June 22, 1944, as amended by sec. 16, Public Law 98, 79th Cong., June 30, 1945; sec. 8, Public Law 268, 79th Cong., December 28, 1945; sec. 301 (e) of Public Law 475, 81st Cong., April 20, 1950.

¹ Sec. 1, Public Law 864, 80th Cong., July 1, 1948, as amended, provides in the Federal National Mortgage Association, a secondary market for loans guaranteed hereunder.

(4) That the purchase price paid or to be paid by the veteran for such property does not exceed the reasonable value thereof as determined by proper appraisal made by an appraiser designated by the Administrator.

(b) For the purpose of encouraging the construction and improvement of farm housing the Administrator is authorized to guarantee a loan for the construction or improvement of a farmhouse which loan is secured by a first lien on a portion of the farm suitable in size and location as an independent home site, and to permit payment out of the proceeds of such loan any sum required to obtain the release of such site from existing indebtedness: *Provided*, That the Administrator may, in his discretion, except any loan for the construction or improvement of a farmhouse from the first lien requirement imposed by subsection 500 (b) of this title.

PURCHASE OF BUSINESS PROPERTY

Act of June 22, 1944, as amended by sec. 8, Public Law 268, 79th Cong., December 28, 1945.

SEC. 503 (38 U. S. C. 694c). Any loan made to a veteran under this title, the proceeds of which are to be used for the purpose of engaging in business or pursuing a gainful occupation, or for the cost of acquiring for such purpose land, buildings, supplies, equipment, machinery, tools, inventory, stock in trade, or for the cost of the construction, repair, alteration or improvement of any realty or personalty used for such purpose, or to provide the funds need for working capital, is automatically guaranteed if made pursuant to the provisions of this title, including the following:

(1) That the proceeds of such loan will be used for any of the specified purposes in connection with bona fide pursuit of gainful occupation by the veteran;

(2) That such property will be useful in and reasonably necessary for the efficient and successful pursuit of such business or occupation;

(3) That the ability and experience of the veteran, and the conditions under which he proposes to pursue such business or occupation, are such that there is a reasonable likelihood that he will be successful in the pursuit of such business or occupation; and

(4) That the purchase price paid or to be paid by the veteran for such property, or the cost of such construction, alterations, or improvements, does not exceed the reasonable value thereof as determined by proper appraisal made by an appraiser designated by the Administrator.

RECOVERY OF DAMAGES

Added by Public Law 142, 82d Cong., September 13, 1951.

SEC. 503A. (38 U. S. C. 694c-1). Whoever knowingly makes, effects, or participates in a sale of any property to a veteran for a consideration in excess of the reasonable value of such property as determined by proper appraisal made by an appraiser designated by the Administrator, shall, if the veteran pays for such property in whole or in part with the proceeds of a loan guaranteed by the Veterans' Administration under section 501, 502, or 503 of this title, be liable for three times the amount of such excess consideration irrespective of whether such person has received any part thereof.

Actions pursuant to the provisions of this section may be instituted by the veteran concerned, in any United States district court, which court may, as a part of any judgment, award costs and reasonable attorneys' fees to the successful party. In the event the veteran shall fail to institute any action hereunder within thirty days after discovering he has overpaid, or having instituted an action shall fail diligently to prosecute the same, or upon request by the veteran, the Attorney General, in the name of the Government of the United States, may proceed therewith, in which event one-third of any recovery in said action shall be paid over to the veteran and two-thirds thereof shall be paid into the Treasury of the United States.

The remedy provided in this section shall be in addition to any and all other penalties imposed by law.

REGULATIONS

SEC. 504 (38 U. S. C. 694d). (a) The Administrator is authorized to promulgate such rules and regulations not inconsistent with this title, as amended, as are necessary and appropriate for carrying out the provisions of this title, and may delegate to subordinate employees authority to issue certificates, or other evidence, of guaranty of loans guaranteed under the provisions of this title, and to exercise other administrative functions hereunder.

(b) No loan for the purchase or construction of residential property on which construction is begun subsequent to sixty days after the date of enactment of the Housing Act of 1950, shall be financed through the assistance of the provisions of this title unless the property conforms to minimum construction requirements prescribed by the Administrator.

Act of June 22, 1944, as amended by sec. 8, Public Law 268, 79th Cong., December 28, 1945; sec. 301 (f), Public Law 475, 81st Cong., April 20, 1950.

SECONDARY LOANS ¹

SEC. 505 (38 U. S. C. 694e). Any person who is a veteran eligible for the benefits of this title, as provided in section 500 hereof, and who is found by the Secretary of Agriculture, by reason of his ability and experience, including training as a vocational trainee, to be likely to carry out successfully undertakings required of him under a loan which may be made under the Bankhead-Jones Farm Tenant Act, shall be eligible for the benefits of such Act to the same extent as if he were a farm tenant.

As amended by sec. 8, Public Law 268, 79th Cong., December 28, 1945; sec. 301 (g), Public Law 475, 81st Cong., April 20, 1950.

PROCEDURE ON DEFAULT

SEC. 506 (38 U. S. C. 694g). In the event of default in the payment of any loan guaranteed under this title, the holder of the obligation shall notify the Administrator who shall thereupon pay to such holder the guaranty not in excess of the pro rata portion of the amount originally guaranteed, and shall be subrogated to the rights of the holder of the obligation to the extent of the amount paid on the guaranty: *Provided*, That prior to suit or foreclosure the holder of the obligation shall notify the Administrator of the default, and within thirty days thereafter the Administrator may, at his option, pay the holder of the obligation the unpaid balance of the obligation plus accrued interest and receive an assignment of the loan and security: *Provided further*, That (1) nothing herein shall be construed to preclude any for-

Added by sec. 8, Public Law 268, 79th Cong., December 28, 1945.

¹ Sec. 505 (a) repealed by sec. 301 (g), Public 475, 81st Cong., April 20, 1950, read as follows:

"Sec. 505. (a) In any case wherein a principal loan, for any of the purposes stated in section 501, 502, or 503, is approved by a Federal agency to be made or guaranteed or insured by it pursuant to applicable law and regulations, and the veteran is in need of a second loan to cover the remainder of the purchase price or cost, or a part thereof, the Administrator, subject otherwise to the provisions of this title, may guarantee the full amount of the second loan: *Provided*, That such second loan shall not exceed 20 per centum of the purchase price or cost: *And provided further*, That regulations to be promulgated jointly by the Administrator and the head of such agency may provide for servicing of both loans by such agency and for refinancing of the principal loan to include any unpaid portion of the secondary loan with accrued interest, if any, after the curtailment thereon equals twice the amount of the secondary loan."

The following proviso in respect to sec. 505 (a) was contained in sec. 301 (g) Public 475, 81st Cong., April 20, 1950: "*Provided*, That this subsection shall become effective December 31, 1950, or at such earlier time as the Administrator of Veterans' Affairs shall determine, taking into consideration the interests of veterans and existing plans, of both veterans and the home building industry, for the construction of homes: *And provided further*, That this subsection shall not affect any guarantee made, or for which a certificate of commitment has been issued by said Administrator, under section 505 (a) of the Servicemen's Readjustment Act of 1944, as amended, prior to the effective date of this subsection." (On April 28, 1950, the Administrator announced such loans would be finally terminated October 20, 1950.)

bearance for the benefit of the veteran as may be agreed upon by the parties to the loan and approved by the Administrator; and (2) the Administrator may establish the date, not later than the date of judgment and decree of foreclosure or sale, upon which accrual of interest or charges shall cease.

LOANS ON DELINQUENT INDEBTEDNESS

Added by sec.
8, Public Law
268, 79th Cong.,
December 28,
1945.

SEC. 507 (38 U. S. C. 694h). Any loan made to a veteran, the proceeds of which are to be used to refinance any indebtedness of the veteran which is secured of record on property to be used or occupied by the veteran as a home or for farming purposes, or indebtedness incurred by him in the pursuit of a gainful occupation which he is pursuing or which he proposes in good faith to pursue, or any delinquent taxes or assessments on such property or business, is automatically guaranteed if made pursuant to the provisions of this title, including the following:

(1) Such loan became in default or the delinquency occurred not later than ten years after the termination of the war;¹

(2) Such refinancing will aid the veteran in his economic readjustment; and

(3) The amount of the guaranteed loan does not exceed the reasonable value of the property or business, as determined by proper appraisal made by an appraiser designated by the Administrator.

INSURANCE OF LOANS

Added by sec.
8, Public Law
268, 79th
Cong., Decem-
ber 28, 1945.

SEC. 508 (38 U. S. C. 694i). (a) Any loans which might be guaranteed under the provisions of this title, when made or purchased by any financial institution subject to examination and supervision by an agency of the United States or of any State or Territory, including the District of Columbia, may, in lieu of such guaranty, be insured by the Administrator under an agreement whereby he will reimburse any such institution for losses incurred on such loan up to 15 per centum of the aggregate of loans so made or purchased by it.

(b) Loans insured hereunder shall be made on such other terms, conditions, and restrictions as the Administrator may prescribe within the limitations set forth in this title. The Administrator may fix the maximum rate of interest payable on any class of non-real-estate loans insured hereunder at a figure not in excess of a 3 per centum discount rate or an equivalent straight interest rate on nonamortized loans.

(c) The Administrator shall pay the same amount on each loan insured hereunder as he would be required to pay under the sixth sentence of section 500 (c) hereof if the loan were guaranteed rather than insured.

POWERS OF ADMINISTRATOR

Added by sec.
8, Public Law
268, 79th Cong.,
December 28,
1945.

SEC. 509 (38 U. S. C. 694j). (a) With respect to matters arising by reason of this title as now or hereafter amended and, notwithstanding the provisions of any other law, the Administrator may—

(1) Sue and be sued in his official capacity in any court of competent jurisdiction, State or Federal;

(2) Subject to specific limitations in this Act, consent to the modification, with respect to rate of interest, time of payment of principal or interest or any portion thereof, security or other provisions of any note, contract, mortgage or other instrument securing a loan which has been guaranteed or insured hereunder;

(3) Pay, or compromise, any claim on, or arising because of, any such guaranty or insurance;

¹ See footnote 1, p. 54.

(4) Pay, compromise, waive or release any right, title, claim, lien or demand, however acquired, including any equity or any right of redemption;

(5) Purchase at any sale, public or private, upon such terms and for such prices as he determines to be reasonable, and take title to, property, real, personal or mixed; and similarly sell, at public or private sale, exchange, assign, convey, or otherwise dispose of any such property; and

(6) Complete, administer, operate, obtain and pay for insurance on, and maintain, renovate, repair, modernize, lease, or otherwise deal with any property acquired or held pursuant to this title: *Provided*, That the acquisition of any such property shall not deprive any State or political subdivision thereof of its civil or criminal jurisdiction of, on, or over such property (including power to tax) or impair the rights under the State or local law of any persons on such property.

(b) The powers by this section granted may be exercised by the Administrator without regard to any other provisions of law not enacted expressly in limitation hereof, which otherwise would govern the expenditure of public funds: *Provided*, That section 3709 of the Revised Statutes shall apply to any contract for services or supplies on account of any property acquired pursuant to this section if the amount of such contract exceeds \$1,000.

(c) The financial transactions of the Administrator incident to, or arising out of, the guaranty of loans pursuant to this title, and the acquisition, management, and disposition of property, real, personal or mixed, as incident to such activities and pursuant to this section, shall be final and conclusive upon all officers of the Government.

EFFECTIVE DATE

SEC. 510. This title, as amended, shall be effective from the date of enactment: *Provided*, That any application for guaranty of a loan filed within ninety days after such date may be approved under the title as it existed prior to amendment: *And provided further*, That nothing herein shall be construed to affect any contractual right under any certificate of guaranty issued thereunder.

Added by sec.
8. Public Law
268, 79th
Cong., Decem-
ber 28, 1945.

INCONTESTABILITY

SEC. 511 (38 U. S. C. 694k). Any evidence of guaranty or insurance issued by the Administrator shall be conclusive evidence of the eligibility of the loan for guaranty or insurance under the provisions of this title and of the amount of such guaranty or insurance, except that nothing in this section shall preclude the Administrator from establishing, as against the original lender, defenses based on fraud or material misrepresentation, and except that the Administrator shall not, by reason of anything contained in this section, be barred from establishing, by regulations in force at the date of such issuance or disbursement, whichever is the earlier, partial defenses to the amount payable on the guaranty or insurance.

Added by sec.
5. Public Law
864, 80th
Cong., July 1,
1948.

SUPPLEMENTAL DIRECT LOANS TO VETERANS

SEC. 512 (38 U. S. C. 694l). (a) Upon application by a veteran eligible for the benefits of this title who has not previously availed himself of his guaranty entitlement, the Administrator is authorized and directed to make, or enter into a commitment to make, the veteran a loan to finance the purchase or construction of a dwelling to be owned and occupied by him as a home, or to finance the construction or improvement of a farmhouse, if (1) the Administrator has found, after the effective date of this section, that in the area in which the dwelling or farmhouse is located or is to be constructed private capital is not available for

Added by sec.
301 (h) Public
Law 475, 81st
Cong., April
20, 1950.

the financing of the purchase or construction of dwellings, or the construction or improvement of farmhouses, as the case may be, by veterans under this title, and (2) the veteran shows to the satisfaction of the Administrator—

(A) that he is a satisfactory credit risk,

(B) that the monthly payments to be required under the proposed loan bear a proper relation to the veteran's present and anticipated income and expenses,

(C) that he is unable to obtain from private lending sources in such area at an interest rate not in excess of 4 per centum per annum a loan for such purpose for which he is qualified under section 501 or section 502 of this title, and

(D) that he is unable to obtain a loan for such purpose from the Secretary of Agriculture under the Bankhead-Jones Farm Tenant Act, as amended, or the Housing Act of 1949.

(b) Loans made under this section shall bear interest at the rate of 4 per centum per annum and shall be subject to such requirements or limitations prescribed for loans guaranteed under this title as may be applicable: *Provided, That*—

(A) the original principal amount of any such loan shall not exceed \$10,000;

(B) the guaranty entitlement of the veteran shall be charged with the same amount that would be deducted if the loan had been guaranteed to the maxima permitted under section 500 (a) of this title;

(C)¹

(D) the authority to make loans under this section shall expire June 30, 1953.

(c) In connection with any loan under this section, the Administrator is authorized to make advances in cash to pay the taxes and assessments on the real estate, to provide for the purpose of making repairs, alterations, and improvements, and to meet the incidental expenses of the transaction, and shall credit to the principal of the loan an amount equal to that which would have been payable under section 500 (c) of this title had the loan been made by a private institution.

(d) The Administrator is authorized to sell, and shall offer for sale, to any private lending institution evidencing ability to service loans, any loan made under this section at a price not less than par; that is, the unpaid balance plus accrued interest, and may guarantee any loan thus sold subject to the same conditions, terms, and limitations which would be applicable were the loan guaranteed under section 501 (b) of this title.

(e) This section shall take effect ninety days after the date of enactment of the Housing Act of 1950.

SEC. 513 (38 U. S. C. 694m). (a) For the purposes of section 512 of this title, the Secretary of the Treasury is hereby authorized and directed to make available to the Administrator such sums not in excess of \$150,000,000 (plus the amount of any funds which may have been deposited to the credit of miscellaneous receipts under subsections (a) and (c) hereof) as the Administrator shall request from time to time, except that no sums may be made available after June 30, 1953. After the last day on which the Administrator may make loans under that section, he shall cause to be deposited with the Treasurer of the United States, to the credit of miscellaneous receipts, that part of all sums in the special deposit account referred to in subsection (c) of this section, and all moneys received thereafter, representing unexpended advances or the repayment or recovery of the principal of loans made pursuant to section 512 of this title. Interest collected by the Administrator on loans made under section 512 in excess of the amount payable by him to the Treasurer of the United States under subsection (b) of this section, together with any miscellaneous income or credits, shall constitute a reserve for payment of losses, if any,

As amended by
sec. 614 (a),
Public Law
139, 82d Cong.,
September 1,
1951.

As amended by
sec. 614 (b),
Public Law
139, 82d Cong.,
September 1,
1951.

Added by sec.
301 (h), Public
Law 475, 81st
Cong., April
20, 1950, as
amended by
sec. 614 (c),
Public Law
139, 82d Cong.,
September 1,
1951.

¹ At the time of its repeal clause (C) provided that "the amount of loans made under this section shall not exceed \$150,000,000, and".

and expenses incurred in the liquidation of said obligations. The Administrator shall have power to invest such reserves, or any unexpended part thereof, from time to time in obligations of the Government of the United States.

(b) On advances by the Secretary of the Treasury under subsection (a) of this section, less those amounts deposited in miscellaneous receipts under subsections (a) and (c) hereof the Administrator shall pay semiannually to the Treasurer of the United States interest at the rate or rates determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the advance.

(c) In order to make available the sums payable under subsection (a) of this section and to effectuate the purposes and functions authorized in section 512 of this title, the Secretary of the Treasury is hereby authorized to use, as a public debt transaction, the proceeds of the sale of any securities issued under the Second Liberty Bond Act as now in force or as hereafter amended, and the purposes for which securities may be issued under the Second Liberty Bond Act as now in force or as hereafter amended, are hereby extended to include such purposes. Such sums, together with all receipts hereunder, shall be deposited with the Treasurer of the United States, in a special deposit account, and shall be available, respectively, for disbursement for the purposes of section 512 of this title. Except as otherwise provided in subsection (a) of this section, the Administrator shall from time to time cause to be deposited into the Treasury of the United States, to the credit of miscellaneous receipts, such of the funds in said account as in his judgment are not needed for the purposes for which they were provided, including the proceeds of the sale of any loans, and not later than June 30, 1954, he shall cause to be so deposited all sums in said account and all moneys received thereafter in repayment of outstanding obligations, or otherwise, except so much thereof as he may determine to be necessary for purposes of liquidation. Without regard to any other provisions of this title, said Administrator shall have authority to take or cause to be taken such action as in his judgment may be necessary or appropriate for or in connection with the custody, management, protection, and realization or sale of such investments, to determine his necessary expenses and expenditures, and the manner in which the same shall be incurred, allowed and paid, to make such rules, regulations, and orders as he may deem necessary or appropriate for the carrying out of the functions hereby or hereunder authorized and, except as otherwise expressly provided in this title, to employ, utilize, compensate, and delegate any of his functions hereunder to, such persons and such corporate or other agencies, including agencies of the United States, as he may designate.

(d) For the purposes of further augmenting the revolving fund established in subsection (a) hereof the Secretary of the Treasury is authorized and directed between the effective date of this subsection and July 1, 1952, to make available to the Administrator such additional sums not in excess of \$25,000,000 as the Administrator may request, and is authorized and directed to advance from time to time thereafter until June 30, 1953, such additional sums as the Administrator may request, provided that the aggregate so advanced in any one quarter annual period shall not exceed the sum of \$25,000,000 less that amount which had been returned to the revolving fund during the preceding quarter annual period from the sale of loans pursuant to section 512 (d) of this title. Except for the limitation on the sums authorized in subsection (a) hereof, this subsection shall be subject to the other provisions of this section and of this title.

As amended by
sec. 614 (d),
Public Law
139, 82d Cong.,
September 1,
1951.

Added by
Public Law 325,
82d Cong.,
April 18, 1952.

TITLE IV

CHAPTER VI—EMPLOYMENT OF VETERANS¹

Act of June 22, 1944, as amended by sec. 5 (b), Public Law 26, 80th Cong., March 31, 1947.

SEC. 600 (38 U. S. C. 695). (a) In the enactment of the provisions of this title Congress declares as its intent and purpose that there shall be an effective job counseling and employment placement service for veterans, and that, to this end, policies shall be promulgated and administered, so as to provide for them the maximum of job opportunity in the field of gainful employment. For the purpose there is hereby created to cooperate with and assist the United States Employment Service, as established by the provisions of the Act of June 6, 1933, a Veterans' Placement Service Board, which shall consist of the Administrator of Veterans' Affairs, as Chairman, the Director of the Office of Selective Service Records,² and the Administrator of the Federal Security Agency, or whoever may have the responsibility of administering the functions of the United States Employment Service. The Board shall determine all matters of policy relating to the administration of the Veterans' Employment Service of the United States Employment Service.³

(b) The Chairman of the Board shall have direct authority and responsibility for carrying out its policies through the veterans' employment representatives in the several States or through persons engaged in activities authorized by subsection (g) of section 8 of the Selective Service Act of 1940 (Public Law 783, Seventy-sixth Congress, approved September 16, 1940, as amended (U. S. C., title 50, sec. 308)). The Chairman may delegate such authority to an executive secretary who shall be appointed by him and who shall thereupon be the Chief of the Veterans' Employment Service of the United States Employment Service.

(c) The public records of the Office of Selective Service Records,⁴ and the Veterans' Employment Service of the United States Employment Service shall be available to the Board.

As amended by sec. 5 (c), Public Law 26, 80th Cong., March 31, 1947.
Act of June 22, 1944.

SEC. 601 (38 U. S. C. 695a). The United States Employment Service shall assign to each of the States a veterans' employment representative, who shall be a veteran of the wars of the United States separated from active service under honorable conditions, who at the time of appointment shall have been a bona fide resident of the State for at least two years, and who shall be appointed, subject to the approval of the Board, in accordance with the civil-service laws, and whose compensation shall be fixed in accordance with the Classification Act of 1923, as amended. Each such veterans' employment representative shall be attached to the staff of the public employment service in the State to which he has been assigned. He shall be administratively responsible to the Board, through its executive secretary, for the execution of the Board's veterans' placement policies through the public employment service in the State. In cooperation with the public employment service staff in the State, he shall—

(a) be functionally responsible for the supervision of the registration of veterans in local employment offices for suitable types of employment and for placement of veterans in employment;

(b) assist in securing and maintaining current information as to the various types of available employment in public works and private industry or business;

¹ See Title I, Public Law 549, 79th Cong., July 26, 1946, returning certain functions of the United States Employment Service to State control.

² Now "Director of Selective Service" pursuant to sec. 10 (a) (4), Public Law 759, 80th Cong., June 24, 1948.

³ The Veterans Placement Service Board was abolished by sec. 2 of Reorganization Plan No. 2 of 1949, effective August 20, 1949 (63 Stat. 1065). Its functions and those of its Chairman were transferred to the Secretary of Labor. The United States Employment Service was likewise returned to the Department of Labor.

⁴ Now "Selective Service System" pursuant to sec. 10 (a) (4), Public Law 759, 80th Cong., June 24, 1948.

(c) promote the interest of employers in employing veterans;

(d) maintain regular contact with employers and veterans' organizations with a view of keeping employers advised of veterans available for employment and veterans advised of opportunities for employment; and

(e) assist in every possible way in improving working conditions and the advancement of employment of veterans.

SEC. 602 (*38 U. S. C. 695b*). Where deemed necessary by the Board, there shall be assigned by the administrative head of the employment service in the State one or more employees, preferably veterans, of the staffs of local employment service offices, whose services shall be primarily devoted to discharging the duties prescribed for the veterans' employment representative.

Act of June 22,
1944.

SEC. 603 (*38 U. S. C. 695c*). All Federal agencies shall furnish the Board such records, statistics, or information as may be deemed necessary or appropriate in administering the provisions of this title, and shall otherwise cooperate with the Board in providing continuous employment opportunities for veterans.

Act of June 22,
1944.

SEC. 604. (*38 U. S. C. 695d*). The Federal agency administering the United States Employment Service shall maintain that service as an operating entity and, during the period of its administration, shall effectuate the provisions of this title.

Act of June 22,
1944.

SEC. 605. (*38 U. S. C. 695e*). (a) The Board through its executive secretary shall estimate the funds necessary for the proper and efficient administration of this title; such estimated sums shall include the annual amounts necessary for salaries, rents, printing and binding, travel, and communications. Sums thus estimated shall be included as a special item in the annual budget of the United States Employment Service. Any funds appropriated pursuant to this special item as contained in the budget of the United States Employment Service shall not be available for any purpose other than that for which they were appropriated, except with the approval of the Board.

Act of June 22,
1944.

(b) The War Manpower Commission shall from its current appropriation allocate and make available sufficient funds to carry out the provisions of this title during the current fiscal year.

SEC. 606 (*38 U. S. C. 695f*). The term "United States Employment Service" as used in this title means that Bureau created by the provisions of the Act of June 6, 1933, or such successor agencies as from time to time shall perform its functions and duties, as now performed by the War Manpower Commission.¹

Act of June 22,
1944.

SEC. 607 (*38 U. S. C. 695f*). The term "veteran" as used in this title shall mean a person who served in the active service of the armed forces during a period of war in which the United States has been, or is, engaged, and who has been discharged or released therefrom under conditions other than dishonorable.

Act of June 22,
1944.

TITLE V

CHAPTER VII—READJUSTMENT ALLOWANCES FOR FORMER MEMBERS OF THE ARMED FORCES WHO ARE UNEMPLOYED

SEC. 700 (*38 U. S. C. 696*). (a) Any person who shall have served in the active military or naval service of the United States at any time after September 16, 1940, and prior to the termination of the present war,² and who shall have been discharged or released from active service under conditions other than dishonorable, after active service of ninety days or more, or by reason of an injury or disability incurred in service in line of duty, shall be entitled, in accordance with the provisions of this title and regulations issued by the Administrator of Veterans' Affairs pursuant thereto, to receive a readjustment allowance as provided herein for each week of unemployment, not to exceed a total of fifty-two weeks,

Act of June 22,
1944.

¹Executive Order 9617, September 19, 1945, terminated the War Manpower Commission and transferred its functions and duties to the Department of Labor.

²See footnote 1, p. 54.

which (1) begins after the first Sunday of the third calendar month after the date of enactment hereof, and (2) occurs not later than two years after discharge or release or the termination of the war,² whichever is the later date: *Provided*, That no such allowance shall be paid for any period for which he receives increased pension under part VII of Veterans Regulation 1 (a) or a subsistence allowance under part VIII of such regulation: *Provided further*, That no readjustment allowance shall be payable for any week commencing more than five years after the termination of hostilities in the present war.²

(b) Such person shall be deemed eligible to receive an allowance for any week of unemployment if claim is made for such allowance and the Administrator finds with respect to such week that—

(1) the person is residing in the United States at the time of such claim;

(2) the person is completely unemployed, having performed no service and received no wages, or is partially unemployed in that services have been performed for less than a full work-week and the wages for the week are less than the allowance under this title plus \$3;

(3) the person is registered with and continues to report to a public employment office, in accordance with its regulations;

(4) the person is able to work and available for suitable work: *Provided*, That no claimant shall be considered ineligible in any period of continuous unemployment for failure to comply with the provisions of this subparagraph if such failure is due to an illness or disability which occurs after the commencement of such period.

(c) For the purposes of this title, neither the present war nor hostilities therein shall be considered as terminating, in the case of any individual, before the termination of such individual's first period of enlistment or reenlistment contracted within one year after the date of the enactment of the Armed Forces Voluntary Recruitment Act of 1945.

Added by sec. 11 (c), Public Law 190, 79th Cong., October 6, 1945.

CHAPTER VIII—DISQUALIFICATION

Act of June 22, 1944.

SEC. 800 (38 U. S. C. 696a). (a) Notwithstanding the provisions of section 700, a claimant shall be disqualified from receiving an allowance if—

(1) he leaves suitable work voluntarily, without good cause, or is suspended or discharged for misconduct in the course of employment;

(2) he, without good cause, fails to apply for suitable work to which he has been referred by a public employment office, or to accept suitable work when offered him; or

(3) he, without good cause, does not attend an available free training course as required by regulations issued pursuant to the provisions of this title.

(b) Notwithstanding the provisions of section 700, a claimant shall also be disqualified from receiving an allowance for any week with respect to which it is found that his unemployment is due to a stoppage of work which exists because of a labor dispute at the factory, establishment, or other premises at which he is or was last employed: *Provided*, That this subsection shall not apply if it is shown that—

(1) he is not participating in or directly interested in the labor dispute which causes the stoppage of work; and

(2) he does not belong to a grade or class of workers of which, immediately before the commencement of the stoppage there were members employed at the premises at which the stoppage occurs, any of whom are participating in or directly interested in the dispute: *Provided, however*, That

² See footnote 1, p. 54.

if in any case separate branches of work, which are commonly conducted as separate business in separate premises, are conducted in separate departments of the same premises, each such department shall, for the purposes of this subsection, be deemed to be a separate factory, establishment, or other premises.

(c) (1) If a claimant is disqualified under the provisions of subsection (a) of this section, he shall be disqualified to receive any readjustment allowance for the week in which the cause of his disqualification occurred and for not more than four immediately following weeks.

(2) In addition to the disqualification prescribed in paragraph (1) above, the Administrator may, in cases of successive disqualifications under the provisions of subsection (a) of this section, extend the period of disqualification for such additional period as the Administrator may prescribe, but not to exceed eight additional weeks in the case of any one disqualification.

(d) (1) In determining under subsection (a) of this section the suitability of work or the existence of good cause with respect to a claimant, the conditions and standards prescribed by the unemployment compensation laws of the State in which he files his claim shall govern: *Provided*, That the Administrator may prescribe conditions and standards for applicants in any State having no applicable statute.

(2) In determining under subsection (a) of this section the suitability of work, no work shall be deemed suitable for an individual if—

(A) the position offered is vacant due directly to a strike, lock-out, or other labor dispute; or

(B) the wages, hours, or other conditions of the work offered are substantially less favorable to him than those prevailing for similar work in the locality.

CHAPTER IX—AMOUNT OF ALLOWANCE AND PAYMENT

SEC. 900 (38 U. S. C. 696b). (a) The allowance for a week shall be \$20 less that part of the wages payable to him for such week which is in excess of \$3: *Provided*, That where the allowance is not a multiple of \$1, it shall be computed to the next high multiple of \$1. Act of June 22, 1944.

(b) The number of weeks of allowances to which each eligible veteran shall be entitled shall be determined as follows: For each calendar month or major fraction thereof of active service during the period stated in section 700 the veteran shall be entitled to four weeks of allowances, but in no event to exceed the maximum provided in section 700: *Provided*, That the allowance for the qualifying ninety days service shall be eight weeks for each such month.

SEC. 901 (38 U. S. C. 696c). (a) Readjustment allowances shall be paid at the intervals prescribed by the unemployment compensation law of the State in which the claim was made: *Provided*, That if none are so prescribed readjustment allowances shall be paid at such reasonable intervals as may be determined by the Administrator. Act of June 22, 1944.

(b) Any allowances remaining unpaid upon the death of a claimant shall not be considered a part of the assets of the estate of the claimant, or liable for the payment of his debts, or subject to any administration of his estate, and the Administrator may make payment thereof to such person or persons he finds most equitably entitled thereto.

SEC. 902 (38 U. S. C. 696d). (a) Any person qualified under subsection (a) of section 700, and residing in the United States who is self-employed for profit in an independent establishment, trade, business, profession, or other vocation shall be eligible for readjustment allowances under this title within the time periods applicable, and not in excess of the total amount provided in this title. Act of June 22, 1944.

(b) Upon application by the veteran showing, in accordance with rules prescribed by the Administrator, that he has been fully engaged in such self-employment and that his net earnings in a trade, business, profession, or vocation, have been less than \$100 in the previous calendar month, the veteran shall be entitled to receive, subject to the limitations of this title as to time and amount, the difference (adjusted to the next highest multiple of \$1), between \$100 and his net earnings for such month.

(c) Payment of such allowance shall be made by the Administrator to each eligible veteran at the time and in the manner other payments are made directly to veterans by the Administrator.

(d) Subsection (b) of section 700 and section 800 shall not apply in determining the eligibility for allowances of a claimant under this section.

CHAPTER X—ADJUSTMENT OF DUPLICATE BENEFITS

Act of June 22,
1944.

SEC. 1000 (38 U. S. C. 696e). Where an allowance is payable to a claimant under this title and where, for the same period, either an allowance or benefit is received under any Federal or State unemployment or disability compensation law, the amount received or accrued from such other source shall be subtracted from the allowance payable under this title (except that this section shall not apply to pension, compensation, or retired pay paid by the Veterans' Administration); and the resulting allowances, if not a multiple of \$1, shall be readjusted to the next higher multiple of \$1.

CHAPTER XI—ADMINISTRATION

Act of June 22,
1944.

SEC. 1100 (38 U. S. C. 696f). (a) The Administrator of Veterans' Affairs is authorized to administer this title and shall, insofar as possible, utilize existing facilities and services of Federal and State departments or agencies on the basis of mutual agreements with such departments or agencies. Such agreements shall provide for the filing of claims for readjustment allowances with the Administrator through established public employment offices and State unemployment-compensation agencies. Such agencies, through agreement, shall also be utilized in the processing, adjustment, and determination of such claims and the payment of such allowances. To facilitate the carrying out of agreements with State departments or agencies and to assist in the discharge of the Administrator's duties under this title, a representative of the Administrator, who shall be a war veteran separated from active service under honorable conditions and who at the time of appointment shall have been a bona fide resident of the State for at least two years, shall be located in each participating State department or agency.¹

(b) The Administrator, consistent with the provisions of this title, shall prescribe such rules and regulations and require such records and reports as he may find necessary to carry out its purposes: *Provided, however,* That cooperative rules and regulations relating to the performance by Federal or State departments, or agencies, of functions under agreements made therewith may be made by the Administrator after consultation and advise-ment with representatives of such departments or agencies.

(c) The Administrator may delegate to any officer or employee of his own or of any cooperating department or agency of any State such of his powers and duties, except that of prescribing

¹ The following proviso is included in Public Law 759 of the 81st Cong.: "*Provided further,* That hereafter the Administrator shall assign as his representatives, as provided for in the last sentence of section 1100 (a) of the Servicemen's Readjustment Act of 1944 (38 U. S. C. 696f), only such numbers of regional or sectional representatives as he finds necessary to provide for the processing of readjustment allowances in an efficient and economical manner."

rules and regulations, as the Administrator may consider necessary and proper to carry out the purposes of this title.

(d) Allowances paid by the cooperating State agencies shall be repaid upon certification by the Administrator. The Secretary of the Treasury, through the Division of Disbursement of the Treasury, and without the necessity of audit and settlement by the General Accounting Office, shall pay monthly to the departments, agencies, or individuals designated, the amounts so certified.

(e) The Administrator shall from time to time certify to the Secretary of the Treasury for payment in advance or otherwise such sums as he estimates to be necessary to compensate any Federal department or agency for its administrative expenses under this title. Such sums shall cover periods of no longer than six months.

(f) The Administrator shall also from time to time certify to the Social Security Board¹ such State departments or agencies as may be participating in the administration of this title, and the amount of the administrative expense incurred or to be incurred by a State under agreements made pursuant to this section. Upon such certification the Social Security Board shall certify such amount to the Secretary of the Treasury, in addition to the amount, if any, payable by said Board under the provisions of section 302 (a) of the Social Security Act, as amended, and the additional amount so certified shall be paid to each State by the Secretary of the Treasury out of the appropriation for the Veterans' Administration.

(g) Any money paid to any cooperating agency or person, which is not used for the purpose for which it was paid shall, upon termination of the period covered by such payment or the agreement with such agency or person, be returned to the Treasury and credited to the current appropriation for carrying out the purpose of this title, or, if returned after the expiration of period covered by this title, shall be covered into the Treasury as miscellaneous receipts.

SEC. 1101 (38 U. S. C. 696g). (a) No person designated by the Administrator as a certifying officer shall, in the absence of gross negligence, or intent to defraud the United States, be liable with respect to the payment of any allowance certified by him under this title.

Act of June 22,
1944.

(b) No disbursing officer shall, in the absence of gross negligence, or intent to defraud the United States, be liable with respect to any payment by him under this title if it was based upon a voucher signed by a certifying officer designated by the Administrator.

SEC. 1102 (38 U. S. C. 696h). Any claimant whose claim for an allowance has been denied shall be entitled to a fair hearing before an impartial tribunal of the State agency or such other agency as may be designated by the Administrator. The representative of the Administrator located in each State shall be the final appellate authority in regard to contested claims arising in such State, subject to review by the Administrator.

Act of June 22,
1944.

SEC. 1103 (38 U. S. C. 696i). In the case of any veteran eligible under the provisions of this title who either at the time of application for the benefits herein provided is a "qualified employee" as defined in section 3 of the Railroad Unemployment Insurance Act, as amended, or was last employed prior to such application by an employer as defined in section 1 (a) of the said Act, claim may be made through an office operated by or a facility designated as a free employment office by the Railroad Retirement Board pursuant to the provisions of said Act. In such cases, the conditions and standards as to suitability of work or existence of good cause, the intervals for making claim for and payment of benefits, and the administrative and appellate procedures prescribed by

Act of June 22,
1944.

¹ Duties transferred to Federal Security Administrator by sec. 4 of Reorganization Plan 2, effective July 16, 1946 (H. Doc. 595, 79th Cong.) (60 Stat. 1095), and thereafter to Labor Department by Reorganization Plan No. 2 of 1949, effective August 20, 1949 (63 Stat. 1065).

or under said Act shall govern, if not in conflict with the provisions of this title, the appellate procedures being subject to final appeal to the Administrator. In such cases, a reference in this title to a cooperating State agency shall be deemed to include the Railroad Retirement Board.

CHAPTER XII—DECISIONS AND PROCEDURES

Act of June 22,
1944.

SEC. 1200 (38 U. S. C. 696j). The authority to issue subpoenas and provisions for invoking aid of the courts of the United States in case of disobedience thereto, to make investigations, and to administer oaths, as contained in title III of the Act of June 29, 1936 (49 Stat. 2033-34; U. S. C., title 38, secs. 131-133), shall be applicable in the administration of this title.

CHAPTER XIII—PENALTIES

Act of June 22,
1944.

SEC. 1300 (38 U. S. C. 696k). Any claimant who knowingly accepts an allowance to which he is not entitled shall be ineligible to receive any further allowance under this title.

Act of June 22,
1944.

SEC. 1301 (38 U. S. C. 696l). (a) Whoever, for the purpose of causing an increase in any allowance authorized under this title, or for the purpose of causing any allowance to be paid where none is authorized under this title, shall make or cause to be made any false statement or representation as to any wages paid or received, or whoever makes or causes to be made any false statement of a material fact in any claim for any allowance under this title, or whoever makes or causes to be made any false statement, representation, affidavit, or document in connection with such claim, shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than \$1,000 or imprisoned for not more than one year, or both.

(b) Whoever shall obtain or receive any money, check, or allowance under this title, without being entitled thereto and with intent to defraud the United States, shall be punished by a fine of not more than \$1,000 or by imprisonment for not more than one year, or both.

CHAPTER XIV—DEFINITIONS

Act of June 22,
1944.

SEC. 1400 (38 U. S. C. 696m). As used in this title—

(a) The term "week" means such period or periods of seven consecutive calendar days as may be prescribed in regulations by the Administrator.

(b) The term "wages" means all remuneration for services from whatever sources, including commissions and bonuses and the cash value of all remuneration in any medium other than cash.

TITLE VI

CHAPTER XV—GENERAL ADMINISTRATIVE AND PENAL PROVISIONS

Act of June
22, 1944, as
amended by
sec. 5, Public
Law 473, 80th
Cong., April
3, 1948.

SEC. 1500 (38 U. S. C. 697). (a) Except as otherwise provided in this Act, the administrative, definitive, and penal provisions under Public, Numbered 2, Seventy-third Congress, as amended, and the provisions of Public, Numbered 262, Seventy-fourth Congress, as amended (38 U. S. C. 450, 451, 454a and 556a), shall be for application under this Act. For the purpose of carrying out any of the provisions of Public, Numbered 2, as amended, and this Act, the Administrator shall have authority to accept uncompensated services, and to enter into contracts or agreements with private or public agencies, or persons, for necessary services, including personal services, as he may deem practicable.

(b) When so specified in an appropriation or other Act, the Administrator of Veterans' Affairs is authorized to make allotments and transfers to the Federal Security Agency (Public Health Service), the War,¹ Navy, and Interior Departments, for disbursement by them under the various headings of their appli-

Added by sec.
5, Public Law
473, 80th
Cong., April
3, 1948.

¹ See footnote 3, p. 1126.

cable appropriations, of such amounts as are necessary for the care and treatment of beneficiaries of the Veterans' Administration: *Provided*, That the amounts to be charged the Veterans' Administration for such care and treatment of patients in hospitals shall be calculated on the basis of a per diem rate approved by the Bureau of the Budget.

SEC. 1501 (38 U. S. C. 697a). Except as otherwise specified, the appropriations for the Veterans' Administration are hereby made available for expenditures necessary to carry out the provisions of this Act and there is hereby authorized to be appropriated such additional amounts as may be necessary to accomplish the purposes of this Act.

Act of June 22, 1944.

SEC. 1502 (38 U. S. C. 697b). Wherever used in this Act, unless the context otherwise requires, the singular includes the plural; the masculine includes the feminine; the term "Administrator" means the Administrator of Veterans' Affairs; the term "United States" used geographically means the several States, Territories and possessions, and the District of Columbia; the term "State" means the several States, Territories and possessions, and the District of Columbia; and the phrases "termination of hostilities in the present war", "termination of the present war", and "termination of the war", mean termination of the war as declared by Presidential proclamation or concurrent resolution of the Congress.¹

Act of June 22, 1944.

SEC. 1503 (38 U. S. C. 697c). A discharge or release from active service under conditions other than dishonorable shall be a prerequisite to entitlement to veterans' benefits provided by this Act or Public Law Numbered 2, Seventy-third Congress, as amended.

Act of June 22, 1944.

SEC. 1504 (38 U. S. C. 697d). The Administrator shall transmit to the Congress annually a report of operations under this Act. If the Senate or the House of Representatives is not in session, such reports shall be transmitted to the Secretary of the Senate or the Clerk of the House of Representatives, as the case may be.

Act of June 22, 1944.

SEC. 1505 (38 U. S. C. 697e).²

SEC. 1506 (38 U. S. C. 697f). Persons who served in the active military or naval service of any government allied with the United States in World War II and who at time of entrance into such active service were citizens of the United States shall, by virtue of such service, and if otherwise qualified, be entitled to the benefits of titles II, III, IV, and V of this Act or of Public Law 16, Seventy-eighth Congress, in the same manner and to the same extent as persons who served in the active military or naval service of the United States: *Provided*, That any such benefit shall not be extended to any person who is not a resident of the United States at time of filing claim or to any person who has applied for and received the same or similar benefit from the government of the nation in whose active military or naval service he served.

Sec. 1505 of the act of June 22, 1944, was repealed by sec. 9, Public Law 268, 79th Cong., December 28, 1945.

Sec. 1506 was added by sec. 10, Public Law 268, 79th Cong., December 28, 1945.

SEC. 1507 (38 U. S. C. 697g). Notwithstanding the provisions of section 1503, any person while on terminal leave, or while hospitalized pending final discharge, may be afforded the benefits of titles II and III of this Act, or vocational rehabilitation training under Public Law 16, Seventy-eighth Congress, as amended, subject to all conditions thereof except actual discharge: *Provided*, That no subsistence allowance shall be paid in such cases under title II of this Act or Public Law 16, Seventy-eighth Congress. This section shall be effective from June 22, 1944.

Added by sec. 10, Public Law 268, 79th Cong., December 28, 1945.

¹ See Public Law 239, 80th Cong., July 25, 1947, establishing date of termination of the war for certain purposes.

² The language of sec. 1505 read as follows: "In the event there shall hereafter be authorized any allowance in the nature of adjusted compensation, any benefits received by, or paid for, any veteran under this Act shall be charged against and deducted from such adjusted compensation; and in the event a veteran has obtained a loan under the terms of this Act, the agency disbursing such adjusted compensation shall first pay the unpaid balance and accrued interest due on such loan to the holder of the evidence of such indebtedness to the extent that the amount of adjusted compensation which may be payable will permit."

THE ACTS PROVIDING FOR VOCATIONAL REHABILITATION OF DISABLED VETERANS

THE VOCATIONAL REHABILITATION ACT FOR DISABLED VETERANS OF WORLD WAR II

Public Law 16, Seventy-eighth Congress, March 24, 1943, with amendments prior to March 1, 1952¹

Act of March 24, 1943.

SEC. 1 (38 U. S. C. 701). That section 1, title I, Public, Numbered 2, Seventy-third Congress, approved March 20, 1933, be amended by adding at the end thereof a new subsection known as subsection (f) and to read as follows:

As amended by sec. 400 (a), Public Law 346, 78th Cong., June 22, 1944.

"(f) Any person who served in the active military or naval forces on or after September 16, 1940, and prior to the termination of hostilities in the present war,² shall be entitled to vocational rehabilitation subject to the provisions and limitations of Veterans Regulation Numbered 1 (a), as amended, part VII, or to education or training subject to the provisions and limitations of part VIII."

Act of March 24, 1943.

SEC. 2. Veterans Regulation Numbered 1 (a), as amended, is hereby amended by adding at the end thereof a new part to be known as part VII and to provide as follows:

"PART VII

As amended by sec. 403, Public Law 346, 78th Cong., June 22, 1944.

"1. Any person who served in the active military or naval service³ at any time on or after September 16, 1940, and prior to the termination of the present war, who is honorably⁴ discharged therefrom,⁵ and who has a disability incurred in or aggravated by such service for which pension is payable under laws administered by the Veterans' Administration, or would be but for receipt of retirement pay, and is in need of vocational rehabilitation to overcome the handicap of such disability, shall be entitled⁶ to such vocational rehabilitation as may be prescribed by the Administrator of Veterans' Affairs to fit him for employment consistent with the degree of disablement: *Provided*, That no course of training in excess of a period of four years shall be approved except with the approval of the Administrator, nor shall any training under this part be afforded beyond nine years after the termination of the present war.⁷

As amended by sec. 7 (a), Public Law 268, 79th Cong., December 28, 1945.

"2. The Administrator shall have the power and duty to prescribe and provide suitable training to persons included in paragraph 1, and for such purposes may employ such additional personnel and experts as are deemed necessary, and may utilize and extend existing Veterans' Administration facilities and utilize those of any other governmental agency as well as those maintained by joint Federal and State contribution; and, in addition, he may, by agreement or contract with public or private institutions or establishments, provide for such additional training facilities as may be suitable and necessary to accomplish the purposes of this part.

Act of March 24, 1943.

"3. While pursuing training prescribed herein and for two months after his employability is determined, each veteran pursuing a course under this part, shall be paid a subsistence allowance of \$65 per month, if without a dependent or dependents, or \$90 per month, if he has a dependent or dependents: Except, that

Act of March 24, 1943, as amended by sec. 7 (b), Public Law 268, 79th Cong., December 28, 1945; Public Law 338, 80th Cong., August 4, 1947: sec. 2, Public Law 411, 80th Cong., February 14, 1948; and sec. 2, Public Law

¹ Benefits of Public Law 16, 78th Cong., as amended extended to certain persons who served on or after June 27, 1950, by Public Law 894, 81st Cong., as amended (see p. 86).

² See sec. 1502, Public Law 346, 78th Cong. See footnote 1, p. 54.

³ Sec. 1506, Public Law 346, 78th Cong., added by sec. 10, Public Law 268, 79th Cong.

⁴ See sec. 1503, Public Law 346, 78th Cong.

⁵ See sec. 1507, Public Law 346, 78th Cong., added by sec. 10, Public Law 268, 79th Cong.

⁶ See par. 7, pt. VIII, as amended by sec. 5 (f), Public Law 268, 79th Cong.

⁷ See footnote 1, p. 54.

(1) each veteran pursuing a course of full-time institutional training under this part shall be paid a subsistence allowance of \$75 per month, if without a dependent or dependents, or \$105 per month, if he has one dependent, or \$120 per month, if he has more than one dependent, and (2) each veteran enrolled in and pursuing a course of institutional on-farm training or other combination course, under this part shall be paid, subject to the limitations of this paragraph, additional subsistence allowance in an amount bearing the same relation to the difference between the basic rates and the increased rates provided in (1) hereof as the institutional training part of such course bears to a course of full-time institutional training:¹ *Provided*, That the minimum payment of such allowance, plus any compensation or other benefit shall be (A) where the service-connected disability is rated less than 30 per centum, for a person without a dependent, \$105 per month; and for a person with a dependent, \$115, plus the following amounts for additional dependents: (1) \$10 for one child and \$7 additional for each additional child, and (2) \$15 for a dependent parent; (B) where the service-connected disability is rated 30 per centum or more, for a person without a dependent, \$115 per month; and for a person with a dependent, \$135, plus the following amounts for additional dependents: (1) \$20 for one child and \$15 additional for each additional child, and (2) \$15 for a dependent parent:² *Provided further*, That the rates set out herein shall not be subject to the increases authorized by Public Law Numbered 312, Seventy-eighth Congress, approved May 27, 1944: *And provided further*, That when the course of vocational rehabilitation furnished to any person as herein provided consists of training on the job by an employer, such employer shall be required to submit monthly to the Administrator a statement in writing showing any wage, compensation, or other income paid by him to such person during the month, directly or indirectly, and based upon such written statements, the Administrator is authorized to reduce the subsistence allowance of such person to an amount considered equitable and just.

"4. Where any person while following a course of vocational rehabilitation as provided for in this part suffers an injury or an aggravation of any injury, as a result of the pursuit of such course or vocational rehabilitation, and not the result of his or her own willful misconduct, and such injury or aggravation results in additional disability to or death of such person, the benefits under laws applicable to veterans of the present war shall be awarded in the same manner and extent as if such disability, aggravation, or death were service-connected within the meaning of such laws; except that no benefits under this paragraph shall be awarded unless application be made therefor within two years after such injury or aggravation was suffered, or such death occurred.

"5. The purpose of rehabilitation is to restore employability lost by virtue of a handicap due to service-incurred disability. The Administrator shall have the power and duty to cooperate with and employ the facilities of other governmental and State employment agencies for the purpose of placing in gainful employment persons trained under the provisions of this part.

"6. The Administrator is hereby authorized to make such rules and regulations as may be deemed necessary in order to promote good conduct and cooperation on the part of persons who are following courses of vocational rehabilitation provided by this part. Penalties for the breach of such rules and regulations may, with the approval of the Administrator, extend to a forfeiture by the offender for a period of three months of such portion of the pension herein provided as will leave him not less than the amount of the monthly pension or retirement pay to which such person

512, 80th
Cong., May 4,
1948.

Act of March
24, 1943.

Act of March
24, 1943.

Act of March
24, 1943.

¹ Sec. 3, Public Law 512, 80th Cong., provides that this Act shall take effect April 1, 1948.

² Effective September 1, 1947, Public Law 338, 80th Cong., August 4, 1947.

is entitled for service-connected disability, and such penalties may also extend to permanent discontinuance of all further benefits of this part.

Act of March
24, 1943.

"7. The Administrator is hereby authorized to make such rules and regulations as may be deemed necessary for the granting of leaves of absence to those following courses of vocational rehabilitation provided by this part where in his opinion such leaves do not materially interfere with the pursuit of such courses. Such leaves of absence shall not in the case of any person be granted in excess of thirty days in any consecutive twelve months except in exceptional circumstances as determined by the Administrator: *Provided*, That during leave of absence under this paragraph such person shall be considered to be pursuing his course of vocational rehabilitation under this part.

Act of March
24, 1943, as
amended by
Public Law
365, 79th
Cong., Apr. 24,
1946; and
Public Law
115, 80th
Cong., June
25, 1947.

"8. There is hereby authorized to be appropriated, out of any money in the Treasury of the United States, not otherwise appropriated, available immediately and until expended, the sum of \$3,000,000, to be utilized by the Veterans' Administration under such rules and regulations as the Administrator may prescribe, as a revolving fund for the purpose of making advancements, not exceeding \$100 in any case, to persons commencing or undertaking courses of vocational rehabilitation under this part, and advancement to bear no interest and to be reimbursed in such installments as may be determined by the Administrator by proper deductions from any future payments of compensation, pension, or retirement pay.

Act of March
24, 1943.

"9. The Administrator shall have the power to provide courses of instruction for personnel and may detail employees to attend the same and may detail any such personnel to attend courses conducted by other than Veterans' Administration agencies, including private organizations, and such employees in addition to their salaries shall be entitled to the payment of expenses incident to such detail, including transportation and tuition, as the Administrator by rules and regulations shall provide; and also in his discretion, to make, or, as by agreement with other agency or institution, cause to be made studies, investigations, and reports inquiring into the rehabilitation of disabled persons and the relative abilities, aptitudes and capacities of the several groups of the variously handicapped and as to how their potentialities can best be developed and their services best utilized in gainful and suitable employment, including the rehabilitation programs of foreign nations engaged in the present war. For this purpose he shall have the power to cooperate with such public and private agencies as he may deem advisable and to call in consultants who shall receive as compensation for their services a reasonable per diem, which the Administrator shall by rules and regulations provide, for each day actually spent in the work provided for herein and shall in addition be reimbursed for their necessary traveling and other expenses. For the purposes of this part, the Administrator may accept uncompensated services upon such agreement as he may deem feasible."

Act of March
24, 1943, as
amended by
sec. 401, Pub-
lic Law 346,
78th Cong.,
June 22, 1944.

SEC. 3. The appropriation for the Veterans' Administration, "Salaries and expenses, medical and hospital, and compensation and pensions", shall be available for necessary expenses under part VII, as amended, or part VIII of Veterans Regulation Numbered 1 (a), and there is hereby authorized to be appropriated such additional amount or amounts as may be necessary to accomplish the purposes thereof. Such expenses may include, subject to regulations issued by the Administrator and in addition to medical care, treatment, hospitalization, and prosthesis, otherwise authorized, such care, treatment, and supplies as may be necessary to accomplish the purposes of part VII,¹ as amended, or part VIII of Veterans Regulation Numbered 1 (a). Any such

¹ See footnote 1, p. 65.

appropriation shall also be available for use by the Administrator in reimbursing State and local agencies for reasonable expenses incurred by them in (1) rendering necessary services in ascertaining the qualifications of industrial establishments for furnishing on-the-job training to veterans under the provisions of part VIII of such regulation, and in the supervision of industrial establishments furnishing such training, or (2) furnishing, at the request of the Administrator, any other services or facilities in connection with the administration of programs for training on the job under such provisions, or (3) furnishing, at the request of the Administrator, information concerning educational opportunities available in schools and colleges or, (4) rendering necessary services in ascertaining the qualifications of proprietary institutions for furnishing education and training under the provisions of part VIII of such Regulation and in the supervision of such institutions.

SEC. 4. Any books, supplies, or equipment furnished a trainee or student under part VII or part VIII of Veterans Regulation Numbered 1 (a) shall be deemed released to him: *Provided*, That if he fail, because of fault on his part to complete the course of training or education afforded thereunder, he may be required, in the discretion of the Administrator, to return any or all of such books, supplies, or equipment not actually expended or to repay the reasonable value thereof: *Provided further*, That returned books, supplies or equipment may be turned in to educational or training institutions for credit under such terms as may be approved by the Administrator, or disposed of in such other manner as may be approved by the Administrator.

Added by sec. 1, Public Law 679, 79th Cong., August 8, 1946.

Added by sec. 4 of Public Law 610, 81st Cong., July 13, 1950.

Added by sec. 402, Public Law 346, 78th Cong., June 22, 1944.

Proviso added by sec. 6, Public Law 268, 79th Cong., December 28, 1945.

THE ACT EXTENDING VOCATIONAL REHABILITATION TO DISABLED VETERANS OF SERVICE ON OR AFTER JUNE 27, 1950

Public Law 894, 81st Congress, December 28, 1950, as amended prior to May 1, 1952.

(38 U. S. C. 701a).—That service in the active military, naval, or air service of the United States on or after June 27, 1950, and prior to such date as shall thereafter be determined by Presidential proclamation or concurrent resolution of the Congress, shall afford basic entitlement to vocational rehabilitation under Public Law Numbered 16, Seventy-eighth Congress, as amended, needed to overcome the handicap of a disability incurred in or aggravated by such service for which compensation is payable under the provisions of part I,¹ Veterans Regulation Numbered 1 (a), as amended (or would be but for receipt of retirement pay), subject to the applicable provisions, conditions, and limitations of Public Law Numbered 16, Seventy-eighth Congress, as amended, except as follows:

Act of December 28, 1950.

(1) Vocational rehabilitation based on service as prescribed in this Act may be afforded within nine years after the aforesaid termination of the period beginning June 27, 1950.

(2) Notwithstanding the fact that vocational rehabilitation may have been previously afforded under Public Law Numbered 16, as amended, or that education or training may have been afforded under title II of the Servicemen's Readjustment Act of 1944, as amended, additional vocational rehabilitation may be provided hereunder to the extent necessary by reason of a handicap due to disability incurred in or aggravated by service, as provided herein.

(3) Any person eligible for vocational rehabilitation under this Act who, at the time of such service, was not a citizen of the United States, shall be afforded such benefit only while a resident of a State, Territory, or possession of the United States or of the District of Columbia.

As amended by Public Law 170, 82d Cong., October 11, 1951.

¹ Public Law 170, 82d Cong., substituted "part I" for "subparagraph 1 (c), part II" which appeared in the original act.

Comparison of H. R. 7656, 82d Cong., with titles II and III of Public Law 346, 78th Cong., as amended (GI Bill of Rights)

	H. R. 7642 ¹	Public Law 346, 78th Cong., as amended
Title.....	"Veterans' Readjustment Assistance Act of 1952."	Servicemen's Readjustment Act of 1944.

EDUCATIONAL AND VOCATIONAL ASSISTANCE PROVISIONS

Definitions:		NOTE.—No general definitions as such, equivalent statutory provisions are listed.
(1) Basic service period.....	Period beginning June 27, 1950, and ending by Presidential proclamation or congressional concurrent resolution.	September 16, 1940, to the termination of World War II (July 25, 1947, for all persons except certain enlistees under the Armed Forces Voluntary Recruitment Act of 1945).
(2) Eligible veteran ²	Active service during basic service period; discharge or release other than dishonorable; 90 days active service or disability discharge. ³	Similar, except for differences in dates. ⁴
(3) Program of education or training.	Single or plural courses or subjects leading to predetermined objective.	Not a key term of SRA. The act refers to "course."
(4) Course.....	Organized unit of subject matter.	No statutory definition.
(5) Dependent.....	Child, dependent parent, wife, dependent husband.	Term "dependents" undefined, but implementing regulations restrict it to wife, child, dependent parent.
(6) Educational institution..	All categories of schools, colleges, universities, etc.	Similar.
(7) Training establishment..	Business or other establishment providing apprenticeship or other training-on-job.	Similar.
(8) Armed Forces.....	Army, Navy, Air Force, Marine Corps, and Coast Guard.	Not a key term of SRA, the act relates to "military or naval service."
(9) State.....	All States, Territories, possessions, and the District of Columbia.	Similar provision applicable to SRA.
(10) Administrator.....	Administrator of Veterans' Affairs	Same provision applicable to SRA.
(11) Commissioner.....	United States Commissioner of Education.	Not specifically involved in SRA.
Time limits.....	Initiation by Sept. 1, 1954, or 2 years after discharge, whichever later; completion 7 years after discharge or end of "emergency". Requires continuous pursuit of program on and after last date for initiation subject to right of suspension for periods not exceeding 12 consecutive months, or longer, if approved by Administrator.	Initiation within 4 years of date of discharge, or termination of World War II, whichever is the later. No education or training may be afforded beyond 9 years after the termination of World War II. Continuity of training after initiation date (subject to excusable interruption) required by implementing regulation.
Entitlement.....	1½ days for each day of service ¹ up to 36 months. Entitlement ending after major part of semester or quarter is extended to termination thereof.	1 year plus the time spent in active military service ² up to 48 months. Similar to H. R. 7656 with respect to extension of entitlement to end of semester.
Selection, application, and approval of program.	Veteran may select program leading toward predetermined objective at institution of choice, except no education furnished in foreign schools other than in the Philippines. Must apply to Administrator who shall approve unless he finds veteran does not meet requirements of bill or is already qualified.	Veteran may elect any course (not avocational or recreational) under the program, either full-time or equivalent part time, at any approved institution which will accept him. No statutory requirements as to initial approval procedure.

See footnotes at end of table.

Comparison of H. R. 7656, 82d Cong., with titles II and III of Public Law 346, 78th Cong., as amended (GI Bill of Rights)—Continued

EDUCATIONAL AND VOCATIONAL ASSISTANCE PROVISIONS—Continued

	H. R. 7642 ¹	Public Law 346, 78th Cong., as amended
Change of program.....	One change prior to initiation limit; one change after initiation limit if no prior change and subject to approval.	Changes of course authorized for reasons satisfactory to Administrator. Veteran who has completed or discontinued a course (for reasons other than unsatisfactory conduct or progress) may apply for additional courses, subject to authority of Administrator to apply regulatory restrictions (1) after the initiation date, or (2) after the veteran has already made one change from one "general field" of education or training to another field and desires to make additional changes to a different field.
Avocational and recreational courses.	Certain courses prohibited. Other listed courses and additional ones found to be recreational or avocational by Administrator may be pursued only on submission of justification.	Similar to H. R. 7642, except no outright prohibition of any particular course and establishes a procedure of justification by affidavits in certain cases.
Minimum nonveteran enrollment.	At least $\frac{1}{4}$ required with certain exceptions.	No mandatory requirement, but provides that schools operated for profit must meet prescribed standards during any period such schools have fewer than 25 students or $\frac{1}{4}$ of the students enrolled (whichever is larger) paying their own tuition.
Period of operation for approval.	Course not approvable unless in operation for 2 years or more, subject to certain exceptions.	Contains 1-year-operation requirement, with certain exceptions.
Institutions listed by Attorney General under E. O. 9835.	Enrollment or payment of allowance for any course in such an institution is barred.	No specific provision.
Education and training allowance.	Administrator would pay veteran a "package" allowance covering his tuition, subsistence and supplies, except that in certain cases only amount covering tuition and fees to be payable. No payments direct by the Government to institution.	No package allowance. Provides for payment of subsistence allowance to veterans, with tuition, fees, and other listed charges paid to the schools up to a maximum of \$500 for an ordinary school year, subject to right of veteran to elect to have charges paid in excess of \$500 limitation with acceleration of entitlement. (Rates indicated are for subsistence only.)
Schedule of rates:		(Rates indicated are for subsistence only.)
Full-time instruction.....	\$110, no dependents, \$150, with dependents.	\$75, no dependents, \$105, 1 dependent \$120, 1 or more dependents.
$\frac{3}{4}$ -time instruction.....	\$80, no dependents, \$110, with dependents.	} Pro rata of full-time rates from $\frac{1}{4}$ - to $\frac{3}{4}$ -time training.
$\frac{1}{2}$ -time instruction.....	\$50, no dependents, \$70, with dependents.	
Full-time instruction and supplemental on-job training.	\$90, no dependents, \$120, with dependents.	Combination of institutional and on-job rates.
Apprenticeship or other on-job training.	\$70, no dependents, \$95, with dependents.	\$65 per month, no dependents, \$90, 1 or more dependents.
Institutional on-farm training.	\$95, no dependents, \$120, with dependents.	\$65, no dependents, \$90, 1 or more dependents.
Correspondence courses, flight training, and courses of less than $\frac{1}{2}$ time training.	Special provisions apply, gearing educational and training allowance to institutional charges only.	No subsistence for courses exclusively by correspondence; no special allowances for flight training. No subsistence for less than $\frac{1}{4}$ time training (by regulation).
4 months' reduction formula.....	Allowances for apprentice and other on-job training and institutional on-farm training subject to reduction for each 4 months as course progresses in accordance with mathematical formula.	No predetermined reduction. Administrator authorized to pay such lesser sums as he may determine, in part-time cases and cases of persons receiving "compensation from productive labor."

See footnotes at end of table.

Comparison of H. R. 7656, 82d Cong., with titles II and III of Public Law 346, 78th Cong., as amended (GI Bill of Rights)—Continued

EDUCATIONAL AND VOCATIONAL ASSISTANCE PROVISIONS—Continued

	H. R. 7642 ¹	Public Law 346, 78th Cong., as amended
Income ceilings.....	On-job allowances subject to reduction when the allowances plus compensation paid to veteran for productive labor performed as part of course exceed \$225 per month if no dependents, \$300, with dependents.	Ceiling limitation on rate of allowance plus compensation received from productive labor based on the standard workweek, established at the following rates: No dependents, \$210 per month; 1 dependent, \$270 per month; 2 or more dependents, \$290 per month. Not limited to on-job cases and not limited to income received from productive labor as part of course.
Full-time courses.....	Below college trade courses with shop practice requires 30 hours per week minimum; below college course in which theoretical or classroom instruction predominates requires a minimum of 25 hours per week; undergraduate college course requires minimum of 14 semester hours or equivalent; other full-time training to be defined by Administrator.	Same provisions, except no statutory definition of undergraduate college course (defined generally by regulation as 12 semester hours).
Overcharges by institution.....	Administrator to disapprove institution if institution charges or receives in excess of established charges for nonveterans. Authorizes up to \$31 for full-time courses for certain tax-supported schools not having non-veteran resident fees.	No provision. VA pays customary or contractual charge direct to institution. Tuition pay to school.
Approval of courses.....	Approval by State approving agencies and in certain instances by Commissioner of Education.	Basically similar to H. R. 7656, except for supplemental approvals to be made by Administrator, rather than Commissioner.
Use of Federal agencies.....	Administrator may use services of other Federal agencies. Bill directs utilization of service of Office of Education in certain particulars.	Administrator may use services of other Federal agencies. No mandatory requirements with respect to any specific agency.
Payment for certain State expenses.	Administrator authorized to contract for payment to State and local agencies for necessary salary and travel expenses in ascertaining qualifications of institution and supervising same and furnishing other requested services.	Administrator authorized to reimburse State and local agencies for reasonable expenses incurred in ascertaining qualifications and supervision of industrial establishments and proprietary institutions, and furnishing other requested services.
Standards for approving courses..	Provides detailed standards for on-the-job, on-farm, and all institutional courses (accreditation procedure employable in lieu of standards for certain established courses).	Contains standards for on-the-job and on-farm training which are similar to those in H. R. 7656, with the addition of standards for training on farm of another. Detailed standards for institutional courses are confined to proprietary profit schools, under certain conditions.
Disapproval of course and discontinuance of allowance.	State agency to disapprove course which fails to meet requirements. Administrator authorized to discontinue allowance to veteran if he finds that course fails to meet requirements or if institution has violated any provision.	Authority to Administrator to withhold benefits in on-job training and on-farm cases, when he finds they fail to meet standards. Administrator may withhold benefits in institutional cases only after finding by State approving agencies of failure to meet standards.
Regulations and review of payments by GAO.	Administrator authorized to issue necessary regulations. Review by GAO provided.	Administrator authorized to issue necessary regulations, subject to certain limitations added by Public Law 610, 81st Cong. Finality provisions of sec. 5, Public No. 2, 73d Cong., and sec. 11, of act of Oct. 17, 1940, are applicable.

See footnotes at end of table.

Comparison of H. R. 7656, 82d Cong., with titles II and III of Public Law 346, 78th Cong., as amended (GI Bill of Rights)—Continued

EDUCATIONAL AND VOCATIONAL ASSISTANCE PROVISIONS—Continued

	H. R. 7642 ¹	Public Law 346, 78th Cong., as amended
Educational and vocational guidance.	Administrator authorized to provide such service and reimburse veteran for traveling expenses incident thereto where advice is required by Administrator.	Administrator authorized to provide such service, but no authorization to reimburse veteran for traveling expenses.
Advisory committee.....	Administrator directed to form advisory committee composed of educators and including Commissioner of Education, ex officio.	No specific requirement for advisory committee, but such a committee functions under general authority.
Control by Federal agency prohibited.	Standard provision precluding Federal supervision or control of State agencies and institutions.	Same provisions.
Conflicts of interests	Employees of VA, Office of Education or State agency having pecuniary interest in profit institutions to be dismissed, courses disapproved by State if conflicting interests develop.	No specific provisions.
Recovery of overpayments	Provides for recovery from institution of overpayment of allowance to vet resulting from (1) willful or negligent failure of institution to report excessive absence, etc., or (2) false certification by institution.	Similar provisions.
False or misleading statements...	Administrator not to make payments to any person who has willfully submitted false or misleading claims.	No specific provisions in act.
Criminal penalties and forfeitures.	Person who knowingly and willfully makes false statement or commits certain other defined acts to forfeit all rights and benefits under the program and under Public, No. 2, 73d Cong., as amended, and upon conviction could be fined up to \$500 or imprisoned up to 6 months or both. Person violating such provisions who is not affected by forfeiture could be fined up to \$5,000 or imprisoned up to 3 years or both.	The criminal penalties generally applicable to other veterans' benefit programs apply. The forfeiture provisions of Public, No. 2, 73d Cong., as amended, are made applicable and the overall effect is somewhat broader than under either of the bills.
Waiver of overpayments.....	Contains standard provision for waiving recovery of overpayments of training allowance where Administrator finds that the person is not at fault and recovery would defeat purpose of benefits otherwise authorized or would be against equity and good conscience.	The same provision is applicable by reference to Public No. 2, system of which present program is a part.
Federal Trade Commission.....	Required to keep State agencies advised of information available to FTC which might be of assistance to State agencies in carrying out their duties.	No provision.
Veterans' Education Appeals Board.	No provisions, as payments to institutions not involved under the bill.	Authorized to hear appeals from institutions dissatisfied by decisions of the Administrator as to customary cost of tuition and other actions taken under Veterans' Education and Training Amendments of 1950.
Effective date of educational and training provisions.	Effective on enactment but no education and training allowances payable for period prior to Sept. 1, 1952.	June 22, 1944.

See footnotes at end of table.

Comparison of H. R. 7656, 82d Cong., with titles II and III of Public Law 346, 78th Cong., as amended (GI Bill of Rights)—Continued

LOAN ASSISTANCE

	H. R. 7642 ¹	Public Law 346, 78th Cong., as amended
Service group and nature of benefit.	Extends title III of SRA (guaranty and insurance of home, farm, and business loans, and direct home loans in certain cases) to veterans of service on or after June 27, 1950, and prior to a date to be determined.	Same, but applicable to World War II group. These title III loan-assistance benefits are now provided for those who served on or after Sept. 16, 1940, and prior to July 26, 1947.
Additional amendments to present law.	Makes certain other amendments to title III of SRA, including (1) specific authority to require advance approval of certain loans notwithstanding automatic guaranty provision; (2) requirements that new home construction meet minimum standards for planning and general acceptability as well as construction standards; (3) construction warranty to veteran purchaser for initial occupancy; (4) authority to refuse appraisal of housing handled by persons with poor record as to dealings with veteran purchaser; and (5) authority to exclude from future loan guaranties lenders with record of dealings detrimental to veteran or Government.	As indicated proposed amendments in H. R. 7656 would amend existing title III of Servicemen's Readjustment Act and would apply prospectively to the World War II group as well as the new service group.

SOCIAL SECURITY BENEFITS

Old age and survivors insurance.	Gives \$160 credit for each month spent in the service on or after June 27, 1950, and prior to a date to be determined.	Same as applicable to World War II group. (Not provided in Public Law 346, 78th Cong.)
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MUSTERING-OUT PAYMENTS

Mustering-out payments.....	Grants \$100 for veterans serving less than 60 days, \$200 for veterans serving more than 60 days, and \$300 for veterans serving more than 60 days and with service overseas. Includes up to and including the rank of captain in the Army and Air Force and lieutenant, senior grade, in the Navy.	Identical to World War II coverage. (Not provided in Public Law 346, 78th Cong.)
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JOB ASSISTANCE

Employment benefits.....	Grants preference in employment based on service on or after June 27, 1950, and prior to a date to be determined.	Identical to World War II coverage.
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¹ The other titles of H. R. 7656 would provide old-age and survivors' insurance credits, mustering-out payments, and employment assistance.

² Veteran ineligible for education and training while in active service. Under SRA, veteran reentering service may receive the benefit, not including subsistence.

³ Any period during which assigned to a civilian institution for a course of education or training which is substantially the same as established courses offered to civilians or as a cadet or midshipman is excluded.

⁴ By section 1507, SRA of 1944, as amended, the benefits of part VIII are available to persons, otherwise eligible, while on terminal leave or while hospitalized pending final discharge. Period while assigned for training under the ASTP or the Navy college training program or as a cadet or midshipman is excluded, if course is continuation of civilian education and pursued to completion.

The reports of the Bureau of the Budget, Department of Defense, Federal Security Administration, Federal Trade Commission, General Accounting Office, and the Veterans' Administration follow:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., May 16, 1952.

Hon. JOHN E. RANKIN,
*Chairman, Committee on Veterans' Affairs,
House of Representatives, Washington 25, D. C.*

MY DEAR MR. RANKIN: This is in reply to your letter of April 17, 1952, requesting a report from the Bureau of the Budget on H. R. 7656, a bill to provide readjustment benefits to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, and for other purposes. The following comments refer to the bill in the form as reported by your committee on May 16, 1952.

Title I—Short title and statement of policy

The clear statement of purpose contained in this title will be of fundamental importance in the administration of the bill. The principles of readjustment and restoration of lost opportunity expressed are consistent with the views of the President on this subject.

The policy statement quite properly relates the benefits under this bill to active service in the Armed Forces during a period of national emergency. However, this policy is not carried forward into the termination provisions relating to the specific benefit programs. These provide that the period of qualifying service may occur at any time between June 27, 1950, and a date to be determined by Presidential proclamation or concurrent resolution of the Congress. The date to be thus determined is not expressly related to the termination of the national emergency or the end of the draft under the Selective Service Act, although we understand that such a relationship has been assumed by the committee in its consideration of the bill. The lack of such explicit relationship departs from the practice which has consistently been followed by the Congress in enacting legislation for similar veterans' benefits. The Bureau of the Budget recommends that a general provision be added to title I to provide that the period of service creditable for benefits under this act shall terminate when the national emergency ends, unless sooner terminated by Presidential proclamation or concurrent resolution of the Congress under the specific provisions of the separate titles.

Title II—Educational and vocational assistance

The provisions of this title are similar in most respects to the provisions of H. R. 6425, a bill to provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, on which the Bureau of the Budget reported to your committee on March 14, 1952. The Bureau has also reported to your committee on H. R. 5040, a bill to provide certain educational and training benefits to veterans who served in the active military, naval, or air service on or after June 27, 1950, and a Bureau staff member testified before your committee on the general subject of readjustments benefits for veterans of the current emergency.

In reporting on H. R. 6425, the Bureau commented on a number of features of the bill which we believed to be susceptible of improvement. H. R. 7656 is an improvement on the earlier bill in several respects, but it is believed that the bill could be still further improved along the lines indicated below.

1. *Allowances.*—The allowances under H. R. 7656 are at the same level as those in H. R. 6425. As previously stated, we believe that payments to the veteran at this level will encourage training for the sake of the subsistence allowances involved, rather than for the sake of the training itself. We repeat our previous recommendation that the committee consider the modification of the bill in such a way as to provide for a financial investment by the average veteran in his own training.

Whereas H. R. 6425 established ceilings on the payment of allowances to all types of trainees, H. R. 7656 establishes such ceilings only with respect to on-the-job training. While there are apparent administrative problems connected with the enforcement of ceilings on institutional training, the complete elimination of ceilings from this type of training represents a departure from previously existing concepts which we believe to be undesirable. Under the provisions of H. R. 7656, the Government would be obligated to provide education and training

allowances for institutional training to many veterans with income more than adequate to meet necessary expenses during training. We believe that the Government's obligation to provide such allowances should be limited to assuring that, within reasonable limits, which should be set forth in the law, the income available to the veteran will meet his education and training needs. It is recommended that ceilings be established on allowances for all types of training, rather than for on-the-job training only as in H. R. 7656.

2. *Administration.*—Subsection 261 (a) of the bill subjects the decisions of the Administrator to the provisions of the Budget and Accounting Act of 1921 and the Budget and Accounting Procedures Act of 1950. Specifically, this means that decisions of the Administrator regarding both the eligibility of individual veterans and payments to them will be subject to review and exception by the Comptroller General. This provision of the bill represents a departure from established precedent with respect to veterans' benefits since in all other instances the decisions of the Administrator have finality. The Bureau of the Budget sees no compelling reason for this departure from established precedent since under H. R. 7656 all financial dealings would be between the Administrator and the veteran. The contractual relationships with institutions and training establishments which caused difficulty under the GI bill will not be a problem under this bill.

Section 264 requires the dismissal of any employee of the Veterans' Administration or the Office of Education owning an interest in or receiving wages, salary, etc., from any profit institution training veterans under the provisions of the bill. This would require the dismissal of employees having no connection with the administration of the education and training program. If there is to be such a provision, we see no reason to limit its application to profit institutions. Moreover, it is desirable that the Administrator or Commissioner be empowered to waive the application of this section in the event he finds that the employee's association with the school will not interfere with his performance of assigned duties.

3. *Entitlement.*—With respect to the computation of entitlement, we reiterate our previous recommendation that entitlement be computed on a month-for-month basis, rather than on the basis of 1½ months of training for each month of service. The reasons given in our report on H. R. 6425 are also applicable to this bill.

* * * * *

The revision of allowance rates recommended above (and in our report on H. R. 6425) is of particular importance if title II of H. R. 7656 is to provide a sound legislative basis for a new veterans education and training program. The bill in its present form provides a much better foundation for the new program than would be provided by an extension of the Servicemen's Readjustment Act of 1944, as amended. However, there remains serious question as to whether the high allowance rates would not encourage a substantial amount of abuse.

The Veterans' Administration has estimated the first year cost of this title to approximate \$325,000,000, with an annual cost of about \$836,000,000 after the program attains full momentum. We believe these estimates to be as accurate as can be developed from information available at the present time.

Title III—Loans

The Bureau of the Budget has previously expressed the view that, to the extent they are necessary, any new loan guaranty benefits for veterans of the current emergency should be provided through a system of veterans' preferences or priorities within the framework of existing housing programs designed to meet the needs of the whole population.

It is noted that title III of the bill, in addition to providing benefits to veterans of the current emergency similar to those provided veterans of World War II, amends the provisions of title III of the Servicemen's Readjustment Act of 1944 with respect to both World War II veterans and veterans of the current emergency by strengthening administrative controls and providing for a warranty by the seller of newly constructed dwelling units.

We have been unable, as yet, to arrive at an estimate of the costs of this title.

Title IV—Old-age and survivors' insurance

The chief effect of title IV of the bill is to provide old-age and survivors' insurance wage credits of \$160 for each month of military service between June 27, 1950, and a date to be determined by Presidential proclamation or concurrent resolution of the Congress. For the period ending December 31, 1952, the Federal

Security Agency has estimated the cost of the wage credits to be about \$150,000,000. This would be appropriated over the next several decades as benefits which include such service become payable. This cost would be borne entirely by the Government.

The President has on various occasions, the last time in the 1953 budget message, recommended that members of the Armed Forces should be provided full protection on a contributory basis under the old-age and survivors' insurance system as is now the case for most other occupations. Full and permanent coverage as recommended by the President would provide important survivor and retirement protection to all servicemen with the cost borne on the customary 50-50 basis by the individual and by his employer. While title IV gives useful protection, this is only a stopgap which does not provide the full OASI coverage proposed by the President.

Title V—Mustering-out payments

The expressed purpose of title V of the bill is to provide mustering-out payments to all veterans discharged on or after June 27, 1950, similar to those granted World War II veterans, in lieu of any form of unemployment insurance or readjustment allowances. Mustering-out payments would clearly be both extremely costly and an ineffective way to meet the needs of unemployed veterans. Unemployment compensation coverage for the Armed Forces would cost approximately \$100,000,000 per year on the basis of present strength. The Department of Defense estimates that mustering-out payments would cost approximately \$80,000,000 in fiscal year 1951, \$230,000,000 in fiscal year 1952, \$330,000,000 in fiscal year 1953, and probably would continue under present conditions to run at an annual rate somewhere between the 1952 and 1953 figures for the foreseeable future.

However, since title V would grant mustering-out payments retroactively to all those discharged on or after June 27, 1950, as well as to personnel receiving bonuses for reenlistment in the Armed Forces, it is inconsistent with sound readjustment principles, as well as with principles of unemployment compensation.

Because of the serious deficiencies of this title, it is not believed to be in the best interest of either the veteran or the Nation. You are accordingly advised that this title of the bill is not in accord with the program of the President.

Sincerely yours,

F. J. LAWTON, *Director.*

ASSISTANT SECRETARY OF DEFENSE,
Washington 25, D. C., March 14, 1952.

HON. JOHN E. RANKIN,
*Chairman, committee on Veterans' Affairs,
House of Representatives.*

DEAR MR. CHAPMAN: Reference is made to your request of March 5, 1952, for the views of the Department of Defense on title XII¹ of H. R. 6895, a bill to provide readjustment benefits to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as may be fixed by the President or the Congress, and for other purposes.

H. R. 6895, if enacted, would be known as the Veterans' Readjustment Assistance Act of 1952 and would provide certain readjustment benefits to persons in the Armed Forces during the present hostilities. The provisions of title XII of H. R. 6895 are based upon and are substantially identical to the provisions of the Mustering-Out Payment Act of 1944, as amended, which authorizes mustering-out payment for World War II veterans. Title XII would provide for the payment of mustering-out payments to persons separated from the Armed Forces under honorable conditions after having actively served therein at any time during the period beginning June 27, 1950, and ending on such date as may be determined by Presidential proclamation or by concurrent resolution of the Congress. Such mustering-out payments would be (1) \$300 for persons who shall have performed active service for 60 days or more, if part of such service shall have been performed outside the continental limits of the United States or in Alaska; (2) \$200 for persons who shall have performed active service for 60 days or more, if no part of such service shall have been performed outside of the continental limits of the United States or in Alaska; and (3) \$100 for persons who shall have performed active service for less than 60 days.

¹ Same as title V of H. R. 7656.

The Department of Defense is in accord with the principle of providing benefits to persons serving in the Armed Forces during the present hostilities which would be reasonable and adequate to enable them to readjust themselves to civilian life.

The Department has not been able, within the time allotted by your committee, to evaluate carefully the mustering-out payment provisions of title XII of H. R. 6895, largely because it has not yet been able to develop authoritative and supportable cost data with respect to title XII. Appropriate action is being taken, however, to expedite the development of such data at the earliest practicable date and this Department will furnish your committee with such data at that time.

Our preliminary study of title XII indicates that certain provisions thereof should be thoroughly examined in the light of current conditions and needs. It is noted, for example, that the provisions of title XII apparently would apply to persons who would perform short periods of active duty for training and whose civilian lives are not substantially interrupted. Although its provisions in that regard follow the Mustering-Out Payment Act of 1944, as amended, active-duty training was not a factor then as it is at the present time. The Department of Defense, because of the importance of the provisions of H. R. 6895, will undertake a full and complete study of all of the provisions of that bill, with particular attention being given to title XII thereof.

Inasmuch as your request for this Department's views was specifically limited to title XII of the bill, no comments are offered herein with respect to the other provisions of the bill.

Copies of this report are being concurrently transmitted to the Bureau of the Budget. Time has not permitted, however, the obtaining of the views of the Bureau of the Budget with respect to this report.

Sincerely yours,

CHARLES A. COOLIDGE.

FEDERAL SECURITY AGENCY,
Washington, May 16, 1952.

HON. JOHN E. RANKIN,
*Chairman, Committee on Veterans' Affairs,
House of Representatives, Washington 25, D. C.*

DEAR MR. CHAIRMAN: This is in response to your requests to the Commissioner of Education (who has referred your letter to me for reply), and to me, for reports on titles I and II, and title IV, respectively, of H. R. 7656, entitled "A bill to provide readjustment benefits to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, and for other purposes," as amended in committee.

In the form in which the bill has been ordered reported out by your committee, the bill, to be known as the Veterans' Readjustment Assistance Act of 1952, would provide for (1) a veterans' education and training program; (2) a program of home, farm, and business loan benefits; (3) credits and other special provisions, under the Federal old-age and survivors insurance program, for members of the Armed Forces; and (4) mustering-out payments.

This report is addressed, in the main, to titles II and IV, which deal with veterans' education and training and old-age and survivors insurance credits. In addition, while we have assumed, in view of your requests, that you do not look to this Agency for detailed comments on the home, farm, and business loan benefits or on the mustering-out payments provided for in the bill, we are taking the liberty of including some comments on the application of these and other provisions of the bill to commissioned officers of the Public Health Service.

1. Veterans' education and training program

This Agency has already recorded, and now wishes to reemphasize, its endorsement of the objectives of the proposed veterans' education and training program. The provisions of title II of the amended bill are the outgrowth of the investigation and findings of the House Select Committee To Investigate Educational, Training, and Loan Guaranty Programs under the GI bill (H. Rept. 1375) and of subsequent committee and staff consideration in the light of testimony presented to the committee at recent hearings on the various bills pending on the subject.

In deciding upon the provisions of title II of the present bill, which contain the educational and training program, the committee has, among other things, taken account of the testimony of the Commissioner of Education before your

committee presented on February 19, 1952, and of the report of this Agency dated March 14, 1952, on H. R. 6425, and has adopted in whole or in part some of the suggestions made in that report. In view of this history, we shall not attempt in this report to analyze the bill in detail or to reiterate all of the comments heretofore made insofar as they may still be applicable, but shall limit ourselves to inviting the committee's attention to the discussion in that report and to touch again only on those questions which we believe may especially merit further consideration.

(a) The Commissioner's testimony and our report on H. R. 6425, while recognizing that over-all and ultimate responsibility for the program as a whole should be vested in the Veterans' Administration, pointed out that, in our judgment, an educational program of this character could not fully and successfully achieve its objectives unless the resources and special competence of the Federal educational agency, i. e., the Office of Education, were appropriately utilized. The present bill envisions a role for the Office of Education, or for the Commissioner, in the following respects:¹

(1) Section 241 (b) (1) provides that, in the absence of a State approving agency created or designated in a particular State for the purposes of this program, the provisions of the act referring to the State approving agency shall, with respect to such State, be deemed to refer to the Commissioner of Education.

(2) Section 241 (b) (2) of the bill provides that in "the case of courses subject to approval by the Commissioner under section 242, the provisions of this title which refer to a State approving agency shall be deemed to refer to the Commissioner." Under section 242 (b) the Commissioner is to be "responsible for the approval" of courses of education or training offered by Federal agencies authorized under other laws to supervise such education or training, and further the "Commissioner may approve any course in any other educational institution or training establishment in accordance with the provisions of this title."²

(3) Under section 253 (a), which is designed, among other things, to facilitate the approval by State approving agencies of courses in educational institutions where such courses have been accredited by a nationally recognized accrediting agency or association, the Commissioner would be required to publish, for use by State approving agencies, a list of such agencies and associations which he determines to be reliable authority as to the quality of training offered by an educational institution.

(4) Section 244 would direct the Administrator of Veterans' Affairs, pursuant to proper interagency agreement, to utilize the services of the Office of Education "in developing cooperative agreements between the Administrator and State and local agencies relating to the approval of courses of education or training as provided for in section 245 in reviewing the plan of operations of State approving agencies under such arrangements, and in rendering technical assistance to such State and local agencies in developing and improving policies, standards, and legislation in connection with their duties under this title." The funds necessary to enable the Office of Education to perform services under such an interagency agreement for the Veterans' Administration are, however, to be appropriated directly to that office, as in the case of functions vested directly in the Commissioner of Education by the bill. (See sec. 244 (b).)

(5) Finally, section 262 would direct the Administrator of Veterans' Affairs to establish an advisory committee, would provide that the Commissioner of Education shall be an ex officio member of the committee, would require the Administrator to advise and consult with the committee from time to time with respect to the administration of the program, and would authorize the committee to make such reports and recommendations as it deems advisable to the Administrator and to the Congress.

Of the duties and responsibilities contemplated for the Office of Education by the bill, we consider as potentially the most useful for the program, and hence the most important, the proposed utilization of that Office in developing Federal-

¹ Section references are to H. R. 7656, as ordered reported out.

² Sec. 242 (b) (2), in the version of the committee print of the bill as ordered to be reported out by the committee, would also make the Commissioner of Education responsible for the approval of courses offered by educational institutions situated outside the United States, its Territories, and possessions. While consistent with the bill as introduced, this provision would be inconsistent with the second sentence of sec. 221 of the committee print which precludes pursuit of a program of education or training in foreign institutions, except that the Administrator of Veterans' Affairs may approve enrollment in an educational institution or training establishment in the Philippines. This provision of sec. 221 is discussed below.

State agreements relating to the approval of courses of education or training, in reviewing the plans of operations of State approving agencies under such agreements, and in giving technical assistance to them in the development and improvement of educational policies and standards in connection with the approval and supervision of education and training courses under the program. The extent to which this potential can be realized in practice will, of course, depend very largely on the adequacy of funds appropriated for that purpose and, in general, on the degree to which the importance of adequate educational standards in this program and of the services of the Office of Education in the development of such standards is recognized by all concerned.

We assume that the provision of section 261 (a) authorizing the Administrator to prescribe rules and regulations, is intended to relate to his functions under the bill and not to the functions vested by the bill directly in the Commissioner of Education. We would, however, suggest that section 261 (b) be amended to give the Commissioner, as well as the Administrator of Veterans' Affairs, authority to accept uncompensated services and to enter into contracts with private or public agencies or individuals for necessary services.

(b) In our report on the earlier Teague bill (H. R. 6425), we suggested—in the interest of assuring stronger and at the same time more responsible State agencies, smoother Federal-State relationships, and achievement of maximum advantages for veterans under the program—that the utilization of a State approval agency should be conditioned and grounded on a Federal-State agreement. We suggested that the law itself should specify adequately the requirements to be embodied in such an agreement, that the Administrator should be required to enter into the agreement upon application of the State agency if the agency meets these requirements, that the State should be entitled to payment from Federal funds for the cost of the services performed by the State agency pursuant to such agreement, and that the Federal-State agreement and payments thereunder should be suspendable in the event that the State agency does not substantially live up to its agreement. While the present bill stops short of adopting these suggestions, it does recognize that cooperation between the Administrator and State approving agencies is essential and that Federal-State agreements are desirable, and holds out a strong financial inducement to State agencies to enter into agreements with the Administrator conditioned upon compliance with the standards and provisions of title II.

(c) Section 234 of the bill (committee print), while in general withholding the benefits of the program where the institution discriminates against veterans in its tuition charges and fees, would permit an exception in the case of a tax-supported public educational institution which does not have established tuition charges and fees for nonveteran residents. In the latter case, section 404 would permit the institution to charge resident veterans an amount equal to the estimated cost of teaching personnel and supplies for instruction attributable to such veterans, up to \$31 per month for a full-time course.

As said in our report on H. R. 6425, "it is highly questionable * * * to permit this type of discrimination against veterans regardless of whether, as proposed by the bill, the veteran would directly or indirectly be reimbursed in whole or in part by the Federal Government." Moreover, even if such discrimination were to be permitted under this program, the \$31 per month ceiling would seem excessively high in view of the fact that the average rate of tuition and fees in public universities and colleges in this country is about \$21 per month.

Also, in the first part of section 234 (committee print), which lays down the basic antidiscrimination rule, the committee may wish to change the phrase "shall disapprove such educational institution for the enrollment of any veteran not already enrolled therein," to read "shall not approve the enrollment of any veteran, not already enrolled, in such institution," in view of the fact that the bill does not vest in the Administrator of Veterans' Affairs any general approval function for educational institutions or courses.

(d) Section 221 of the bill (as ordered reported out) circumscribes the veteran's freedom of attending an institution of his choice by providing that in no event may the veteran pursue a program of education or training under the act at a foreign educational institution or training establishment, except as noted above in the case of the Philippines.

This provision constitutes a departure from the privilege of attending foreign institutions given to veterans under the existing veterans' education and training program. We are not aware of any abuses under the existing program

which would justify such a departure. The restriction, moreover, would run counter to the policy of the United States, laid down in various laws and treaties, with respect to our cultural relations with foreign countries and with respect to the education of American nationals abroad. It would also, we believe, unnecessarily hamper our veterans in acquiring education or training necessary to their vocational objective in cases in which the facilities of American educational institutions, e. g., medical schools, are still too limited to fill the need for trained men and women in a given field, and in cases in which foreign institutions offer the only facility or better facilities for the study of certain subjects, e. g., foreign legal systems, which may be necessary to prepare the student for his particular vocational objective, such as the teaching of comparative law.

It has long been a part of the basic foreign policy of the United States to foster mutual understanding, appreciation, and respect through the promotion of educational and cultural relations with foreign countries. Through membership in the International Bureau of American Republics and in the Pan-American Union which developed from it, the United States has participated in inter-American educational exchanges since 1906. And, as stated in a recent report on Federal educational activities prepared by Dr. Quattlebaum of the Legislative Reference Service of the Library of Congress:

"A forerunner of the first broad-scale official program was the Convention for the Promotion of Inter-American Cultural Relations, or the Buenos Aires Treaty of December 23, 1936. In accordance with the terms of this convention, the United States has since continuously exchanged 2 graduate students with each of the 16 signatory nations of the other American Republics." H. Doc. 423, 82d Con., p. 42.)

In the Fulbright Act (50 U. S. C. App. sec. 1641), the Congress authorized Executive agreements with foreign governments for the use of foreign currencies, acquired as a result of surplus property disposals abroad, for the purpose of providing, among other things, for financing studies, research, instruction, and other educational activities of or for American students in schools and institutions of higher learning located in such foreign countries. The act provided that in the selection of American students for study in foreign countries preference should be given to veterans for World Wars I and II. Again, in the United States Information and Educational Exchange Act of 1948 (Smith-Mundt Act), the Congress declared a national policy of promoting a better understanding of the United States in other countries and the increase of mutual understanding between the peoples of the United States and the peoples of other countries, and to that end the Secretary of State was authorized, among other things, to provide for the interchange of students, trainees, teachers, guest instructors, professors, and leaders in fields of specialized knowledge or skill between the United States and other countries. Other examples of United States policy in the international education field are cited in the House document referred to above.

Especially today, when the United States is bending every effort to strengthen the bonds that unite the free world, we should promote rather than restrict the exchange of knowledge and skills between countries. American students in foreign institutions not only benefit themselves from their attendance there but serve as Ambassadors of good will and promote an understanding abroad of American ideals and the American way of life. If, for any reason, attendance at institutions in particular countries should, in a given case, be regarded as inimical to our national interest, that can presumably be controlled, as we believe it already is, by the Department of State through its control of the issuance of passports. Moreover, we would have no objection if enrollment under the veterans' educational and training program in foreign institutions were limited to institutions of higher learning.

Should the committee adopt our suggestion to restore the right of veterans to attend foreign educational institutions under the program, we assume that, as in the case of approval of other educational institutions not within the jurisdiction of a State approving agency, the committee will wish to follow the original bill in vesting the approval function in such cases in the Commissioner of Education.

(e) We note that in the provisions for education and training allowances, the bill differentiates between a veteran having no dependents and veterans having dependents, but makes no distinction between cases in which the veteran has one dependent and those in which he has more than one. We believe that the bill would be more equitable if it provided for a graduated scale of allowances

of at least three steps, so that a veteran with two or more dependents would receive a higher allowance than a veteran with only one. For example, the financial need of a veteran with a wife and no children, especially if the wife is working, is evidently substantially less than the need of a veteran with a wife and a child or children.

(f) Section 244 (b) provides for direct appropriations to the Office of Education to carry out both the functions of that Office under the utilization provisions of section 244 (a) and the functions directly vested in the Commissioner of Education by other provisions of title II (secs. 241 (b), 242, 253 (a)). It has been the practice to provide for expenses of administration of the veterans' laws in a lump-sum appropriation, thus allowing the degree of flexibility necessary to a balanced administration of the various veterans' programs without impairing in any way the constitutional prerogatives of the Congress in the control of public funds. Flexibility in this respect—which is desirable between programs—seems essential in an integral single program such as that envisioned by title II of the bill. A legislative segregation of a relatively small but vital item of cost, such as the cost of administering the functions of the Office of Education under title II, would introduce a rigidity that could threaten the soundness of the program as a whole. We therefore suggest that, instead of the earmarked appropriation to the Office of Education envisioned by section 244 (b), the bill provide for transferring from the appropriations available for administration of title II, to the Office of Education, such amounts as may be determined by the Director of the Bureau of the Budget.

(g) The question of the application of veterans' educational and training benefits to members of the Commissioned Corps of the Public Health Service is discussed under point 3 of this report.

2. *Old-age and survivors insurance credits*

Title IV of the bill would provide wage credits under old-age and survivors insurance of \$160 for each month of active military or naval service between June 27, 1950, and such date as may be fixed by Presidential proclamation or concurrent resolution of the Congress. These provisions are substantially the same as those which now apply (under sec. 217 (a) of the Social Security Act) to service from September 16, 1940, through July 24, 1947. These wage credits would be used in determining monthly retirement and survivor benefits for months after the enactment of the bill, and lump-sum death payments where death occurred after enactment. The credits could not, however, be applied toward old-age and survivors insurance benefits if another Federal benefit (except a benefit payable under a law administered by the Veterans' Administration, and except a lump-sum payment) was based in whole or in part on the serviceman's military or naval service during the same period. The bill would also extend the period within which applications for lump-sum death payments under old-age and survivors insurance may be filed by individuals who have paid the burial expenses of servicemen who die abroad and are returned here for interment or reinterment.

The cost of the old-age and survivors insurance benefits resulting from the monthly wage credits provided by the bill would be met by appropriations from the general funds of the Treasury as benefits become payable. This cost would average about \$3 million a year over the next 50 years for wage credits given for service through the end of this year. For each year thereafter that credits for military or naval service are given, the cost would average about \$1½ million per year over the next 50 years.

We are in complete agreement with the objective of title IV, which is to place the serviceman in the position he would have been in if, instead of being in military service, he had worked in civilian employment. At present, persons who are drawn from civilian life to serve for a time in the Armed Forces have no way, during their period of service, to acquire or maintain protection under the old-age and survivors insurance program. We believe that this gap in protection should be filled. It should be noted, however, that the old-age and survivors insurance wage credits given by title IV of the bill will not wholly solve the problem with respect to the present emergency, unless similar credits are provided for military service performed between July 24, 1947 (the end of the period for which World War II credits are given under existing law), and June 27, 1950 (the beginning date for the wage credits provided under title IV). Without such credit, many servicemen who have died in Korea will not be insured under the program and their survivors will therefore not qualify for benefits. An amendment to bridge this gap in insurance protection is therefore suggested. In this

connection, your attention is invited to H. R. 7800, now under consideration by the Committee on Ways and Means, which would provide wage credits for military service not only for the period since June 27, 1950, but also for the earlier period since July 24, 1947.

Moreover, while we favor the provision of wage credits along the above lines as an emergency measure, we believe that there is need for old-age and survivors insurance coverage of military service under a permanent plan, since the adverse effect of military service on old-age and survivors insurance rights is the same whether it is caused by peacetime service or service during emergency periods.

Subject to the above-mentioned considerations, we favor the adoption of provisions along the lines of those contained in title IV of the bill.

3. Application of the benefits of the bill to Commissioned Corps of Public Health Service

As you know, the pay and allowances of members of the Commissioned Corps of the Public Health Service under the Career Compensation Act are the same as those of members of other uniformed services, and the tendency in recent years has been to extend to members of the Commissioned Corps all other allowances and benefits to which members of the Army, Navy, and Air Corps are entitled, although under section 212 of the Public Health Service Act benefits administered by the Veterans' Administration have been granted to members of the Commissioned Corps only with respect to service on the basis of which they are entitled to "full military benefits," i. e., active service performed either while detailed to the Army, Navy, or Coast Guard, or active service outside the continental limits of the United States, or in Alaska, in time of war, or active service performed while the Commissioned Corps, as at present, is part of the military forces of the United States pursuant to Executive order of the President. The cases in which members of the corps are thus entitled under section 212 to "full military benefits," it will be noted, generally involve service in which the officer is subject either to military discipline or to hazards similar to the hazards to which medical officers of the combat services are exposed, or to both, and when (as now) the Public Health Service is a part of the military forces, the officer does not have the right to resign.

It should be noted, too, that in the determination of priorities for the registration and induction of persons in the medical, dental, and allied specialist categories under the Physicians and Dentists Draft Act, active service in the Public Health Service is equated with active duty in the Army, Navy, Air Corps, or Coast Guard. (Sec. 4 (i) of Universal Military Training and Service Act, as added by Public Law 779, 81st Cong.)

The old-age and survivors insurance credits provided for by the present bill will be applicable to service, as a member of the Commissioned Corps of the Public Health Service, when (as now) the corps has military status, and, as we interpret the bill, the home, farm, and business-loan benefits will be available to veterans of the Public Health Service in all those cases, above mentioned, with respect to which they are now entitled to "full military benefits" (including veterans' benefits).

The mustering-out payments provided by title V of the bill, however, are payable to members of the "Armed Forces", a term defined by section 606 (d) of the bill to mean "the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard of the United States." While the benefits of the Mustering-Out Payment Act of 1944 were not made available to members of the Commissioned Corps of the Public Health Service, it would seem that mustering-out payments are in the nature of severance pay and should be granted to members of that corps on the basis of service during the period in question—on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress—to the same extent as to members of the armed services specifically mentioned in title V of the present bill. Assuming, as we do, that mustering-out payments will be payable retroactively to those meeting the service requirements of the bill but separated from the Commissioned Corps prior to enactment of the bill, we estimate the cost of extending title V to members of the Commissioned Corps will aggregate about \$222,000 for the period of three fiscal years beginning July 1, 1950, and ending June 30, 1953.

Title II of the bill relating to veterans' educational and training benefits makes eligible for the benefits of the program only those veterans who have served in the active service of the Armed Forces at any time during the "basic service period"—i. e., the same period as is referred to in the preceding paragraph—and defines the term "Armed Forces" to mean the Army, Navy, Air Force,

Marine Corps, and Coast Guard of the United States. In view of this specific definition of "Armed Forces" in title II, there is serious doubt that, in the absence of a clear legislative history indicating such intent, members of the Commissioned Corps of the Public Health Service will be held to be eligible for the benefits of this program even with respect to active service which, under section 212 of the Public Health Service Act, entitled such members to "full military benefits," though "full military benefits" are there defined as including veterans' compensation and pensions and other veterans' benefits. Considering the fact that members of the corps, with respect to service giving rise to "full military benefits," were entitled to the educational and training benefits provided under the Servicemen's Readjustment Act of 1944 and were specifically included in the provisions for gratuitous life insurance provided for by the Servicemen's Indemnity Act of 1951 (Public Law 23, 82d Cong.) enacted as recently as April 25, 1951, there would seem to be no reason to exclude members of the corps, with respect to service entitling them to "full military benefits," from the benefits of the veterans' educational and training program proposed in the bill. Such exclusion would, we believe, also be inconsistent with other parts of the bill.

We, therefore, suggest that appropriate amendments be made in titles II and V. Enclosed herewith for the committee's consideration is language which would carry out this suggestion.

The Bureau of the Budget advises that there is no objection to the submission of this report to your committee.

Sincerely yours,

JOHN L. THURSTON,
Acting Administrator.

AMENDMENTS TO INCLUDE COMMISSIONED OFFICERS OF PUBLIC HEALTH SERVICE
UNDER TITLES II AND V OF VETERANS' READJUSTMENT ASSISTANCE ACT OF
1952

1. Amend section 201 (8) to read as follows:

"(8) the term 'Armed Forces' means the Army; the Navy; the Air Force; the Marine Corps; the Coast Guard of the United States; and the Commissioned Corps of the Public Health Service with respect to service as a member of such corps giving rise to entitlement to 'full military benefits' pursuant to section 212 of the Public Health Service Act (42 U. S. C., 1946 Ed., § 213);".

2. In section 503, strike out the words "or the Treasury Department," and insert in lieu thereof the following: "the Department of the Treasury, or the Federal Security Agency,".

3. In section 505 (b), after "Treasury", insert ", and the Federal Security Administrator".

4. In section 505 (c), after "Treasury," insert "and the Federal Security Administrator,".

5. In the same subsection, after the words "respective Secretaries", insert "or the Federal Security Administrator".

6. Amend section 506 (d) to read as follows:

"(d) The term 'Armed Forces' means the Army, the Navy, the Air Force, the Marine Corps, the Coast Guard of the United States, and the Commissioned Corps of the Public Health Service."

FEDERAL TRADE COMMISSION,
Washington 25, May 16, 1952.

HON. JOHN E. RANKIN,

*Chairman, Committee on Veterans' Affairs,
House of Representatives, Washington, D. C.*

MY DEAR MR. CHAIRMAN: In response to your request for the comment of the Commission on subsection 254 (c) (10) and section 272 of H. R. 7656, Eighty-second Congress, second session, dated April 17, 1952, a bill to provide readjustment benefits to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, and for other purposes, the following is submitted.

Subsection 254 (c) (10) provides:

"(c) The appropriate State-approving agency may approve the application of such institution when the institution and its nonaccredited courses are found upon investigation to have met the following criteria:

"(10) The institution does not utilize advertising of any type which is errone-

ous or misleading, either by actual statement, omission, or intimation. The institution shall not be deemed to have met with this requirement until the State approving agency (1) has ascertained from the Federal Trade Commission whether the Commission has issued an order to the institution to cease and desist from any act or practice; and (2) has, if such an order has been issued, given due weight to that fact."

Section 272 provides:

"The Federal Trade Commission shall keep all State-approving agencies advised of any information coming to its attention which would be of assistance to such agencies in carrying out their duties under this title."

The Commission has, in a number of cases, issued cease and desist orders prohibiting false and misleading advertising utilized by certain alleged educational and training institutions for the purpose of defrauding citizens who have served in the Armed Forces and the Government itself. Based upon this experience the Commission is of the opinion that subsection 254 (c) (10) is desirable in connection with State-approving agencies considering for approval applications of educational institutions, and that section 272 is desirable in order that State-approving agencies may more adequately discharge their duties and better achieve the purposes of the bill. The Commission's cost in furnishing the information referred to in subsection 254 (c) (10) and section 272 would be nominal and not to exceed \$300 per annum.

Pursuant to regulations, this report was cleared orally with the Bureau of the Budget on May 15, 1952, and on that date the Commission was advised that there would be no objection to the submission of the report to the committee.

By direction of the Commission.

Sincerely yours,

JAS. M. MEAD, *Chairman.*

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, May 16, 1952.

HON. JOHN E. RANKIN,

Chairman, Committee on Veterans' Affairs, House of Representatives.

MY DEAR MR. CHAIRMAN: Reference is made to your letter of April 17, 1952, enclosing a copy of a confidential committee print designed to provide vocational readjustment and other benefits and to restore lost educational opportunities to certain persons who served in the Armed Forces on and after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress. The referred-to committee print has been introduced as H. R. 7656 and you request my comments and recommendations relative to the provisions thereof, including an estimate of the cost involved.

The bill is designed to provide assistance along the lines of that granted veterans of World War II by Public Law 346 to veterans having service subsequent to June 27, 1950. The bill would provide educational assistance, loan guaranty benefits, old-age and survivors insurance credits, and mustering-out payments.

The provisions of title II of the bill granting educational and training assistance seek to achieve the same purposes as were intended by the provisions of the Servicemen's Readjustment Act of 1944, but represent what is believed to be a more realistic and practical approach to the desired objective. The provisions of the bill have been drafted to eliminate, to the extent possible, the objectionable features of the 1944 act and to reduce to a minimum the many irregular practices and abuses which have flourished under the program inaugurated by Public Law 346. Generally speaking, the bill would grant veterans covered thereby educational assistance of 1½ months of training for each month of service not to exceed 36 months, with the exception that veterans otherwise entitled under the bill and having entitlement under parts VII and VIII of Veterans Regulation No. 1 (a), as amended, would be entitled to a maximum of 48 months.

The bill provides an allowance to each eligible veteran designed to cover in part his expenses for subsistence, tuition, fees, supplies, books, and equipment, leaving the selection of the training institution or establishment, as well as all financial arrangements, the responsibility of the veteran. The allowance authorized would be dependent upon the training or education pursued, whether the veteran had a dependent, and whether the program of education or training is pursued on a full-time, three-fourths time, or half-time basis. The bill provides an allowance for full-time education or training of \$110 per month for a veteran with no dependents and \$150 per month for a veteran with one or more dependents and specifies the adjusted allowance to be paid under the various other programs authorized. Reasonable income limitations are provided for

apprentice and on-the-job training. It is believed that providing for payment directly to the veteran is desirable. This will give the veteran a stake in his education or training and will provide him with an incentive to see that the tuition and other charges are fair and reasonable.

The bill continues the requirement for approval of schools by State authorities, and provides for payment of the allowances only after certification by the veteran and by the school that the veteran actually had pursued the prescribed course during the period for which the allowance is claimed. Specific criminal and civil penalties are prescribed for erroneous certifications by the veteran or by the school. The bill provides many additional safeguards such as a requirement that a proprietary school to be approved must have been in operation at least 2 years prior to its approval and that at least 25 percent of the students must be nonveterans paying their own tuition or charges. Specific guides are set forth as to what constitutes full-time training, half-time training, and less than half-time training, and specific requirements are set out to strengthen the program at the trade school and farm training levels. It is also expressly provided that, notwithstanding the so-called "finality statute" under which the decisions of the Administrator of the Veterans' Administration are final and conclusive and not subject to review by any official of the Government, or by the courts of the United States, all payments under the educational and vocational assistance title of the bill shall be subject to audit and review by the General Accounting Office as provided by the Budget and Accounting Act of 1921, as amended, and the Budget and Accounting Procedures Act of 1950.

The General Accounting Office believes that the program proposed by H. R. 7656 can be operated more efficiently and economically. Undoubtedly, such a program will eliminate vast amounts of administrative detail in eliminating almost entirely the negotiation of contracts with educational institutions, the auditing and checking of monthly bills from thousands of educational institutions, and the constant review by the Veterans' Administration of cost data of institutions seeking to establish or change tuition rates and other charges. While the method of payment proposed by the bill will entail the placing of funds for educational purposes in the hands of the veteran, thus affording an opportunity for misuse, it is believed the safeguards provided in the nature of civil sanctions and criminal penalties, directed both at the veteran and the educational institution will have such a deterrent effect as to preclude more than the inevitable minimum of abuse.

I feel very strongly that the provision of the bill, that all payments thereunder shall be subject to review by the General Accounting Office, is most desirable and beneficial from the standpoint of the veteran and the Government. Thus the General Accounting Office would, as the agent of the Congress, be in a position to consider applicable administrative rulings and regulations, at the time of their promulgation, to the same extent as such rulings and regulations of the various other departments of the Government are subject to consideration. Also, the certifying officers in the Veterans' Administration would be enabled to submit matters involving payments of doubtful propriety for ruling by the Comptroller General prior to certification and payment. Veterans would be given an additional independent forum for the consideration of their claims for amounts thought to be due from the Government. It is my firm conviction that this provision will go far toward effectuating a return to the Congress of its control over the large expenditures which this program necessarily will entail. It will tend to reduce questionable and conflicting interpretations of the legislation; will permit the normal examination of transactions and operations of the administration of the program; and will tend to minimize overpayments which have been of such serious concern under the existing program.

Title III of the bill provides home, farm, and business-loan guaranties; title IV provides old-age and survivors insurance benefits; title V provides for mustering-out payments; and title VI provides for job counseling and employment placement. The provisions of these titles are comparable in intent and purpose to legislation enacted by the Congress providing such benefits for veterans of World War II. It is generally recognized that these benefits have proved of great value to veterans of World War II and have contributed to the economic welfare of the Nation. The granting of like benefits to veterans having service in the Armed Forces subsequent to June 27, 1950, appears fitting and equitable.

The General Accounting Office is not in a position to estimate the costs to the United States of the programs proposed by the bill.

Sincerely yours,

LINDSAY C. WARREN,
Comptroller General of the United States.

VETERANS' ADMINISTRATION,
Washington 25, D. C., May 16, 1952.

HON. JOHN E. RANKIN,

*Chairman, Committee on Veterans' Affairs,
House of Representatives, Washington, D. C.*

DEAR MR. RANKIN: This will refer to your request for a report on H. R. 7656, Eighty-second Congress, a bill to provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, as reported to the House of Representatives, with an amendment, by your committee. The only print of the bill which is available to the Veterans' Administration at this time consists of galley proofs of a committee print bearing the date of May 15, 1952, supplemented by certain changes informally conveyed by the staff of the committee to representatives of the Veterans' Administration on May 15, 1952. The time limit specified in your request for a report does not permit a delay until receipt of a final print of the bill as reported, and accordingly this report is directed to the text of the aforesaid committee print with the informal modifications indicated.

The general purpose of the bill which would be cited as the "Veterans' Readjustment Assistance Act of 1952" is to provide various readjustment benefits for those serving in the Armed Forces on or after June 27, 1950, and prior to a date to be determined by the President or the Congress, including education and training assistance, home, farm, and business loan benefits, old age and survivors' insurance credits, mustering out payments, and job placement assistance.

There are enclosed under separate headings detailed statements concerning titles II and III of the proposed legislation, relating, respectively, to educational and vocational assistance and to loans. In view of the fact that the other titles of the bill would not be administered by the Veterans' Administration, no comments are submitted with respect to those provisions. Cost information relative to titles II and III is contained at the end of the enclosed statements respecting those titles.

Advice has been received from the Bureau of the Budget that there would be no objection to the presentation of this report to the committee.

Sincerely yours,

O. W. CLARK,
Deputy Administrator,
(For and in the absence of the Administrator.)

TITLE II—EDUCATIONAL AND VOCATIONAL ASSISTANCE

The declared purpose of this title of the bill is to extend education and training assistance to provide vocational readjustment and to restore lost educational opportunities to those whose educational, professional, or vocational ambitions are interrupted or impeded by active service in the Armed Forces during the specified emergency period (June 27, 1950, until a date to be hereafter fixed by the President or the Congress), which is referred to in the legislation as the "basic service period." It is further stated in the policy declaration of the bill that this educational program is intended to aid such persons in attaining the educational and training status which they might normally have aspired to and attained, had they not been serving their country.

While the education and training benefits would be similar in many respects to those provided for World War II veterans by title II of the Servicemen's Readjustment Act of 1944, as amended, the bill would introduce a basically new concept for the administration of these benefits. Its principal feature would consist of the payment directly to the veteran, in prescribed amounts according to dependency status and type of training, of a so-called education and training allowance which he would use to apply toward tuition, fees, and supplies, as well as subsistence. This differs materially from the procedure under the Servicemen's Readjustment Act which entailed direct payments of tuition and fees by the Government to institutions, with payments of separate subsistence allowances to veterans. The new plan is obviously intended to simplify administrative processes and avoid the complexities and difficulties experienced in administering the World War II program in connection with the transactions incident to the determination and payment by the Veterans' Administration to the many diverse types of institutions of amounts representing tuition and fees.

This bill would also provide a number of safeguards, not contained in the Servicemen's Readjustment Act, which are designed to avoid many of the prob-

lems and abuses which occurred under the World War II program. It also retains certain of the limitations found in the Servicemen's Readjustment Act and materially strengthens others. In the following discussion some of the more important of these safeguarding provisions will be mentioned, with such comments as are deemed appropriate.

It may be noted that the service requirements are substantially the same as those contained in the Servicemen's Readjustment Act except that the basic service period is that heretofore indicated. The section on definitions contains a definition of the terms "program of education or training" and "course." This is important in avoiding misunderstandings concerning the meaning of these important terms, particularly in view of the fact that the veteran's entitlement is geared to a "program" of education or training, which in a given case might consist of more than one course. In general, a "program" of education or training would consist of a course or combination of courses generally accepted as necessary to fulfill the requirements for attaining a predetermined and identified educational, professional, or vocational objective.

In passing, it is noted that the term "dependent" is defined to include the husband of an eligible female veteran, if he is in fact dependent upon her. This would be an exception to currently applicable laws administered by the Veterans' Administration, which do not provide additional benefits on account of a dependent husband.

A significant new feature of the bill is presented in the definition of the term "eligible veteran" as meaning a person who is "not in the active service," thus precluding the pursuit of education and training under the program where a veteran, though meeting the discharge requirements, has not remained in a civilian status but has either continued on in service or has, after a lapse of time, reentered the service. This would seem to be in accordance with the basic readjustment principle that the assistance to be provided is intended to facilitate the resumption of a civilian status.

The bill would follow the pattern of the Servicemen's Readjustment Act in prescribing limited periods in which a program of education and training must be initiated and completed. Under this proposal the initiation period would be limited to September 1, 1954, or 2 years after the date of separation from active service, whichever is later, and the final date for completion would be 7 years after separation from service or after the end of the basic service period, whichever is earlier. It is noteworthy that the bill contains a provision somewhat similar to the requirement established pursuant to the Servicemen's Readjustment Act that a program of education or training must be pursued continuously on and after the applicable delimiting date for initiating the same. However, this requirement of the bill would be subject to very liberal exceptions in that the veteran would have the right to suspend the pursuit of his program for periods of not more than 12 consecutive months and such suspensions could extend for longer periods if the Administrator finds the longer suspension in each case to have been due to conditions beyond the veteran's control. This exception to the continuous training requirement is considerably broader than the "excusable interruption" concept under the existing program. Although the provision for suspension is manifestly designed to take care of hardship, or other worthy cases of justifiable interruptions of training, it could easily lend itself to abuse in any case where a particular veteran desired to avoid the necessity for maintaining a training status at intervals of less than 12 consecutive months.

The length of the eligible veteran's training entitlement would be measured by a period equal to $1\frac{1}{2}$ times the duration of his active service. This would avoid the situation existing under the Servicemen's Readjustment Act by which a veteran meeting the 90-day minimal service requirement (or disability discharge) was entitled automatically to 1 year of training plus such additional period as equaled the length of his active military service. Thus, under that system, a veteran with relatively short service, as for example 90 days, whose education had not been materially impeded or interrupted, would be entitled to 15 months of education or training. The formula in the present bill is more nearly geared to the readjustment theory in that a man with a brief period of service would be entitled to a commensurate period of training, but not more, while the more necessitous long-term service cases would be entitled to relatively longer training consistent with the greater disruption of their educational needs and plans. In this connection, the bill contains a basic maximum limit of 36 months' education or training entitlement, which would be the equivalent of four academic years, in the case of a veteran taking a college course.

It may be observed that the bill specifically provides, in line with the Servicemen's Readjustment Act, that where the period of entitlement ends during a quarter or a semester after a major part thereof has expired, such period shall be extended to the termination of such unexpired quarter or semester.

The bill contains certain important general administrative requirements conditioning the selection of a program by the veteran and changes of program. At the outset, an eligible veteran would be required to submit application to the Administrator. The Administrator's approval of the application would be withheld if it appeared that the selected program failed to meet any of the requirements of the bill or that the veteran was already qualified by reason of previous education and training for the objective for which the courses of the selected program were offered. One of the applicable limitations would be the prohibition against approval of enrollment in certain specified avocational and recreational courses, subject to the right of the veteran to take some of these courses upon submitting justification indicating bona fide use thereof in the pursuit of present or contemplated business or occupation. This bar on avocational training is quite similar to that contained in the present law.

The provisions on change of program indicates a general intention that a veteran should select his program with great care and should not be permitted to shift from program to program or from course to course in the manner which presented so many abuses and problems in the early years of the Servicemen's Readjustment Act. However, with the apparent purpose of granting a second chance where the veteran's original selection was faulty, this proposal would permit the veteran to make one change of program prior to his initiation delimiting date and if he has made no such change during that period he could make one change thereafter subject to approval by the Administrator in accordance with criteria set forth in the bill. Under this provision it would be possible for a veteran to complete a program of study prior to his final initiation date and to enroll in an additional program of study for an entirely different objective within the limits of his total period of eligibility. For example, a veteran could complete an 18 month's course in cooking and baking and then enroll for an additional 18 months' course in shoe repairing, provided the enrollment in the second course occurred within the 2-year period following his discharge.

Like the present law, the bill would authorize the Administrator to discontinue the payment of an allowance to the veteran if he finds that according to the regularly prescribed standards and practices of the institution or establishment, the conduct or progress of the veteran is unsatisfactory.

One of the most constructive safeguards against unsound training in institutions interested only in exploiting the program for commercial gain is the provision that the Administrator shall not approve the enrollment of any eligible veteran, not already enrolled, in any nonaccredited course below the college level offered by a proprietary profit or proprietary nonprofit educational institution for any period during which the Administrator finds that more than three-fourths of the students enrolled in the course are having all or any part of their tuition, fees, or other charges paid to or for them by the institution or the Veterans' Administration. Stated another way, this means that institutional courses of the specified character in proprietary institutions could not qualify for new enrollments under this proposal unless at least one-fourth of those enrolled in the course are meeting the tuition and other institutional charges out of their own pockets or through assistance provided from sources other than the Veterans' Administration or the institution. The term "nonaccredited courses" is not specifically defined in this section of the bill but apparently contemplates, in general, the class of courses approvable in accordance with the detailed standards provided by section 254 of the bill, except that it would not apply to other than proprietary institutions.

Another related requirement of the bill is that which prohibits the Administrator from approving the enrollment of a veteran in a course in an educational institution when the course has been in operation for less than 2 years, subject to certain exceptions. This provision, with the exceptions, is similar though not identical to that contained in the Servicemen's Readjustment Act as added by Public Law 266 and Public Law 610, Eighty-first Congress, the chief difference being that the Servicemen's Readjustment Act prescribes a 1-year period of operation as the applicable condition. This provision, coupled with the preceding one relating to the prescription of a not less than one-fourth enrollment of nonveterans should go far toward achieving the desirable result that only such proprietary institutions offering training which meets the rigid test of competition will be qualified under the proposed program.

Many of the problems experienced in administering the leave provisions of the World War II program will be avoided under the provisions of the bill respecting the periods for which training allowance will be paid. While such allowance would in no event be paid beyond the veteran's approved enrollment, the bill takes into account the differing practices in established institutions. Thus, in the cases of institutions of higher learning in which regular daily attendance at classes is often not an essential factor in the educational process, the bill would permit payment of allowance without requiring change in the established attendance policy. However, in cases of on-job training and of courses of the nonaccredited type (other than institutional on-farm training), no payment of allowance could be made for absences in excess of 30 days in a 12-month period, not counting as absences week ends and holidays during which the institution or establishment is not regularly in session or operation.

Payment of education and training allowance would be made in arrears, usually for monthly periods, upon the basis of appropriate certifications from the institution or establishment and the veteran.

The schedule of monthly rates of education and training allowances prescribed by the bill is based generally on two categories of rates in accordance with the veteran's dependency status. Thus, one rate would be provided for a veteran who has no dependent, and a higher rate for a veteran with one or more dependents. Under the Servicemen's Readjustment Act a triple rate schedule applies to institutional training; but that act, like the instant bill, prescribes only two rates for on-job training. The amounts would vary with the type of training, and in institutional cases, would be computed on a descending ratio from full-time to three-fourths time to half-time courses. In institutional cases these allowances would be in the nature of "package" payments designed to meet in part the expenses of "subsistence, tuition, fees, supplies, books, and equipment." In terms of actual amounts received by the average trainee, these rates appear to approximate the amounts provided by the Servicemen's Readjustment Act for subsistence allowances, augmented by approximately \$31 per month for tuition and \$4 a month for books and supplies.

A special provision is made for less than half-time institutional training, as to which the allowance would be geared to the established charges of the institution for tuition and fees, not exceeding a rate of \$110 per month as for a full-time course. No amount would be provided for subsistence in these less than half-time cases. This is designed apparently to prevent the utilization of quarter-time courses on the side by veterans, who are fully employed, as a source of supplemental income.

Another special provision is made with reference to flight training, presumably in recognition of the fact that this type of training is quite expensive and that the allowances normally provided would not enable veterans to pursue such training. Where the veteran's program consists of both flight training and other education or training the bill would authorize the payment of an allowance for the flight training in addition to any allowance payable for such other education or training. If flight training is pursued exclusively by the veteran as his program he would be paid the special allowance for flight training but could not be paid an allowance under any other provision of the bill. The rate provided would be 75 percent of the established charge which nonveterans enrolled in the same course are required to pay for tuition for the flight training. However, the veteran's period of entitlement would be charged (in addition to any charge against his entitlement by reason of any other course) with 1 day for each \$1.25 which is paid to him as an allowance for a flight training course. In this way his eligibility could be completely exhausted by the pursuit and completion of a relatively short period of expensive flight training, if he elected to take that type of course and it were approved as being geared to a vocational objective. It is worthy of comment that this exceptional provision for flight training courses might give rise to demands that similar provision be made for expensive short-time trade, professional or vocational courses in other fields. Notwithstanding the requirement that flight training pursued in addition to other education or training must be a part of the veteran's approved program it may be expected that the unique provision for dual allowances in such a case will create pressure to treat flight training as a related part of the veteran's program when, in fact, the line of relationship to the program objective may be tenuous.

In connection with the apprentice and other on-job training the bill prescribes a new procedure for controlling the monthly training allowance so that as the veteran's training wage periodically increases the training allowance will be

reduced and thus the veteran trainee will not be permitted to receive in the later stages of his training program an amount of training allowance which, when added to his increased training wage, might materially exceed the aggregate amount received in the first stages of the program or which might exceed the wage which he would be qualified to receive as a journeyman upon the completion of his program. This would be accomplished by the provision that at the end of each 4 months of the training program the training allowance will be reduced by an amount which bears the same ratio to the original allowance as 4 months bears to the total duration of the apprentice or other training on the job. While this is an arbitrary formula, it would avoid the administrative difficulties which would arise from an effort, in individual cases, to relate the periodic reduction precisely to the interim wage increases.

In addition, the bill would provide so-called monthly ceilings on the combined rate of training allowance plus compensation to be paid for productive labor under the program. This would be superimposed upon the 4 months' reduction rule for the apparent purpose of eliminating possible situations in which the alleged training carries a so-called training wage which is so substantial that the Government should not recognize any obligation to pay a training or subsistence allowance on top of such training wage. This was the basic purpose of Public Law 679, Seventy-ninth Congress, which established similar ceilings for application under the Servicemen's Readjustment Act. However, the ceilings provided by this bill are somewhat more liberal in amounts, and are limited to apprentice and on-job training exclusively and to the compensation scheduled to be paid under the training program. These ceilings are without reference to income from productive labor from sources having no relation to the training program or to other outside income. The present law applies the monetary ceilings to all types of education and training and to all income from productive labor, except overtime. It is evidently the theory of the bill that the imposition of ceilings would not be practicable or realistic in cases of institutional training, particularly since only the amount of tuition and fees would be payable where the student is pursuing less than a one-half-time course. Thus, the ceilings prescribed in this bill are aimed specifically at the abuses in the on-job-training area at which the World War II ceilings were primarily directed, but they would avoid the application of any general "means" test to all types of education and training. The ceilings would reach a specific problem without the discriminations involved in a general income limitation.

It may be noted in passing that while the monetary ceilings on combined training allowance and wage would not be applicable under the bill to institutional on-farm training, the mentioned 4-month-reduction procedure would apply to the allowances receivable in connection with such training, but only to the extent that such allowances represent a subsistence factor.

The bill would define certain full-time courses, leaving others to administrative definition. Those defined include trade and technical institutional courses, which are similar to those prescribed by the Servicemen's Readjustment Act. Further, it establishes the requirement of a minimum of 14 semester-hours for undergraduate institutional courses leading toward a standard college degree which would be somewhat more stringent than the normally applicable requirement of 12 semester-hours established by regulation pursuant to the Servicemen's Readjustment Act.

Section 234 of the bill is apparently designed to provide an administrative control against overcharges to veterans by institutions. It provides that if the Administrator finds that an institution has charged or received from a veteran an amount in excess of the established charges for nonveterans in the same course, he shall disapprove the institution for the enrollment of any veteran not already enrolled. However, this section makes an exception in the cases of tax-supported public educational institutions having no established charges for nonveteran resident students by purporting to authorize such institution to charge and receive for each eligible resident veteran an amount equal to the estimated cost of teaching personnel and supplies for instruction attributable to such veteran, but not to exceed the rate of \$31 per month for a full-time course. It is not possible to indicate all of the practical effects of this exception, in the case of tax-supported public educational institutions, to the general prohibition against approval of institutions making charges to veterans in excess of those to nonveterans. Obviously, the Federal Government cannot undertake to extend the authority of the public institution to discriminate in its charges between various classes of residents unless the State law itself

permits such action. Hence, the matter rests, in the last analysis, upon the applicable laws in the particular State.

From an administrative standpoint, it should be noted that this exception may impose difficult policing responsibilities upon the Veterans' Administration in attempting to determine just what is the "estimated" cost of teaching personnel and supplies for instruction attributable to the veteran, thus giving rise to problems similar to those encountered under the Servicemen's Readjustment Act in determining adjusted rates of tuition in accordance with a like formula. The bill also presents a contradiction between this provision and the provision elsewhere (sec. 232 (f)) for payment of an allowance for a program pursued on a less than one-half time basis at a rate representing the established charges for nonveterans or \$110 per month for a full-time course, whichever is the lesser.

In connection with this and other provisions of the bill, it is observed that some difficulties may arise by reason of the lack of any statutory definition of the term "established charges." For example, as to section 234, the question may well arise as to whether certain public institutions which have given adult courses in academic or vocational training, including institutional on-farm training, under the Servicemen's Readjustment Act, which have been established solely for and attended exclusively by veterans, can be regarded as having an established charge for nonveteran students under this program when in fact few, if any, nonveteran students will participate in the training. Doubtless, in such circumstances the school would contend that it has an established charge which is applicable generally, without distinction between veterans and non-veterans, and that the fact that the course is attended only by veterans under the program is merely incidental and cannot be controlling. Assuming the validity of such a contention, the result would be that section 234 would have no practical application to ensure a real equalization of charges as between veterans and nonveterans on a competitive basis. It may be desirable to clarify the precise purpose of the bill with regard to the meaning of established charges in these and other situations on which that term is applicable.

The system of approving courses is basically similar to that provided by the Servicemen's Readjustment Act, in that it would look to the State-approving agencies primarily to discharge this important function. However, the bill contains a number of detailed minimum standards in connection with all types of courses—institutional, institutional on-farm, and apprentice or other on-job training—which the State-approving agency would perforce apply in testing the qualifications of courses to provide suitable education or training to eligible veterans. In the field of purely institutional training these detailed standards would be somewhat more extensive than those which were established for profit schools under the Servicemen's Readjustment Act by Public Law 610, Eighty-first Congress. It is of especial interest that approval on the basis of detailed statutory standards would not be required in the case of certain well-recognized and established courses. The bill contains a separate provision to the effect that an approving agency may approve institutional courses which have been accredited by a nationally recognized accrediting agency or association, or when credit for the course is approved by the State Department of Education for credit toward a high-school diploma, or when such courses are accepted by the State Department of Education for credit toward a teacher's certificate or teacher's degree. Such an exception would also apply to courses conducted under the Smith-Hughes and George-Barden Acts.

While, as indicated, the function of approving institutions and establishments as qualified to furnish training under the bill and to supervise them from time to time to assure that they continue to fulfill the applicable requirements, would be reposed in the State approving agencies, the bill does establish in the Administrator of Veterans' Affairs the authority to discontinue the payment of an education and training allowance to any eligible veteran where he, the Administrator, finds that the course of education or training in which the veteran is enrolled, fails to meet any of the requirements of this title of the bill, or if he finds that the institution or establishment has violated any provision of this title or fails to meet any of its requirements. This would lodge a heavy administrative responsibility in the Administrator but should prove to be an effective measure for securing the proper application of and compliance with the statutory standards, and thus providing an additional safeguard for both veterans and the Government.

This principle is not new but it is more clearly and comprehensively set forth in this bill. The Administrator was directed to withhold the payment of benefits in on-job training where he found that the Servicemen's Readjustment Act

standards applicable to that type of training were not met (Public Law 679, 79th Cong.), and a related provision with respect to institutional on-farm training was contained in Public Law 377, Eightieth Congress. It seems obvious that this kind of limitation in addition to the action by State approving agencies should exist in the area of institutional training as well as in that of on-job and institutional on-farm training. The generally applicable provision under discussion is therefore considered to be one of the most valuable and vital safeguards in the bill.

It is necessary to examine rather closely the practical complications that may result from a distinctly new provision relating to the discharge of the duties of approving both institutions and training establishments. As mentioned, these duties would reside primarily in the States. However, the bill takes cognizance of the fact that there may be instances in which the State would fail or decline to accept these functions, either completely or with respect to some particular category of education or training. Furthermore, the bill recognizes that certain activities of the Federal Government provide training opportunities to veterans and nonveterans and provides that the approval of these activities will not be vested in State governments.

Under the Servicemen's Readjustment Act the Administrator was authorized to approve additional institutions and establishments over and above those approved by the approving agencies of the several States. The Administrator found no occasion in administering the Servicemen's Readjustment Act to exercise this authority in respect to educational institutions located in the States or territories. It was necessary, however, for him to assume responsibility in regard to institutions located in foreign countries. He also exercised his approval authority in respect to some apprenticeship and job-training establishments within the United States, particularly large industrial organizations whose operations extended over practically the entire United States and Federal agencies affording apprenticeship and job-training courses. The proposed bill provides specifically that the Commissioner of Education would be responsible for these approval responsibilities instead of the Administrator. It is at once apparent that the areas of approval activity are almost entirely outside the scope of the usual responsibilities of the United States Office of Education. The Administrator in discharging his responsibilities has heretofore seen fit to utilize the Department of State, the Federal Bureau of Apprenticeship, the United States Civil Service Commission and other agencies in an advisory capacity as the need arose. In view of the foregoing considerations, there appears to be a greater advantage in preserving the Servicemen's Readjustment Act system by which the Administrator of Veterans' Affairs would discharge the approval function in these several areas than to embark upon an entirely new method which does not offer assurance of greater efficiency and which in many respects would be definitely impracticable.

There is also the practicable consideration that the Veterans' Administration is equipped with an experienced field staff which has been carrying out this function under the Servicemen's Readjustment Act and could immediately proceed to do so were it necessary under the new program. The Office of Education would apparently need to set up a staff for this purpose which would lack the background of experience above referred to. The duplication of staff furthermore would undoubtedly lead to additional expenditures. The unrealistic aspects of the procedure required by the bill are exemplified by the situation which would exist as to the approval of institutions in the Republic of the Philippines, the only foreign country in which training can be given. Although the Veterans' Administration has a regional office in Manila and there is now in operation an effective system of approving institutions in cooperation with the Commissioner of Education of the Republic, the bill would apparently require action in that area by the United States Commissioner of Education. Everything considered, this provision for approval of institutions and establishments by the Commissioner of Education would represent in practice an undesirable division of responsibility.

A general provision of the bill would also direct the Administrator to utilize the services of the Office of Education in developing cooperative agreements between the Administrator and State and local agencies relating to the approval of courses, in reviewing the plan of operations of State approving agencies under such arrangements, and in rendering technical assistance to State and local agencies in developing and improving policies, standards, and legislation, in connection with their duties under this bill. The Office of Education would procure its own appropriations to carry out this function. It is emphasized that State approving agencies are charged with the responsibility for inspecting

and supervising the activities of privately operated schools, business and industrial establishments furnishing apprenticeship or other training on the job, as well as the publicly supported schools and institutions of higher learning. It is obvious that a large part of the activity of a State agency concerns areas of education and training far removed from the principal responsibilities of the United States Office of Education. It would not appear necessary or desirable for the law to impose a new area of responsibility on the United States Office of Education which would require that office to employ a new staff to enable the agency to adequately assume the responsibility. If, on the other hand, the Commissioner of Education proposed to elicit advisory help from the Department of Labor and other Federal agencies, there results the introduction of an intermediate level between the administering agency and the advisory agencies that would prove disadvantageous. In view of the fact that the law specifically prohibits any Federal agency from exercising any control or supervision over the policies to be followed by the various State agencies, it is apparent that the most the United States Office of Education could undertake would be persuasive in nature and limited as to scope. It is therefore believed that the provision requiring utilization of the services of the Office of Education is unsound and that as in the case of other Federal agencies the use of its facilities and services should be left to the discretion of the Administrator.

The bill provides for the formation of an advisory committee composed of persons eminent in the field of education and representative of the various types of institutions and establishments in which veterans would be enrolled. The Commissioner of Education would be an ex officio member of this advisory committee, and the function of the committee would be to advise and consult with the Administrator from time to time with respect to the administration of this program. In addition, it would be authorized to make such reports and recommendations as it deems desirable to both the Administration and to the Congress. A similar committee has been functioning for a number of years in connection with the World War II program and has been of material assistance to the Administrator.

The bill follows the pattern of the amendments to the Servicemen's Readjustment Act by Public Law 610, Eighty-first Congress, in that it authorizes the Administrator to make contracts or agreements with State or local agencies to pay them for reasonable and necessary expenses for salary and travel; in rendering necessary services in ascertaining the qualifications of institutions and establishments; in supervising such institutions and establishments; and in furnishing any other services requested by the Administrator in connection with this program. To avoid misunderstandings as to the precise nature of such agreements, the bill contains the explicit provision that the contract or agreement for payment for these services shall be conditioned upon compliance with the standards and provisions of the bill.

Section 264 of the bill contains provisions which would preclude the retention of an employee of the Veterans' Administration, the Office of Education, or a State approving agency who has had a pecuniary interest in an educational institution operated for profit in which an eligible veteran was pursuing a course under this program. This section would require immediate dismissal of any such an officer or employee upon determination that he has possessed such an interest, whether or not he has disposed of his interest in the school prior to the action of dismissal. These provisions are designed to avert in the new program certain abuses which became apparent in the operations of the program title II under the Servicemen's Readjustment Act and they have the highly desirable objective of preventing actions adverse to the Government or to veterans where employees have placed themselves in a position in which their personal interests are in conflict with their official obligations. In recognition of the fact that the requirements of this section might operate inequitably in many instances the bill, as introduced, contained the further provision that the Administrator may waive the application of this section in any case in which he finds that no detriment would result to the United States or to eligible veterans by reason of the relationship between the particular employee and the educational institution. This authority to recognize exceptions was apparently provided in the original bill because of the wholly unrealistic and impracticable result which would flow from an absolute requirement that in every case, however remote, the employment might be from any official relationship with the school, the employee must forthwith be discharged.

However, the bill as reported with the committee amendment, would entirely delete the provision for administrative exceptions, leaving unqualified

the requirement that all officers and employees who have sustained such relationships with institutions be promptly dismissed, and presumably there would be no authority to reemploy them during the continuance of the program. While this course of procedure would be indicated for the protection of the integrity of the program in all those cases where conflict of interests exists there would be a considerable number of situations in which it would constitute an injustice to the employee as well as administrative detriment to the Government. For example, an attendant, or nurse, or a doctor in a Veterans' Administration hospital, whose duties involved no relationship whatever with the administration of the educational program, but who happened to have acquired a minor interest in an institution participating in the program, would have to be dismissed immediately upon discovery of the fact and notwithstanding the circumstance that he or she may have previously disposed of any interest. Normally, in such situations, there would be no reasonable probability of prejudice to the Government or to eligible veterans and yet the Veterans' Administration would be put to the sacrifice of losing a valuable employee who could not easily be replaced. Many other examples of this general character might be cited to show that the provisions concerning conflicting interest are so rigid in the bill, as reported by the committee, as to be impracticable and highly discriminatory against innocent employees of the Government or of States agencies. It is believed that while the section as a whole is geared to a constructive purpose, the committee amendment has removed an obviously essential safeguard.

The bill also contains a provision similar to that found in recent amendments to the Servicemen's Readjustment Act for recovery from institutions or establishments of overpayments of education and training allowances to veterans where the administrator finds that such overpayments resulted from willful or negligent failure of the institution or establishment to report excessive absences or discontinuances or interruptions of courses, or resulted from false certification by the institution or establishment. A related provision in the bill is that authorizing waiver by the administrator of overpayments of allowances to veterans who are determined to have been without fault and where such recovery would defeat the purpose of benefits otherwise authorized or would be against equity and good conscience. This is a standard provision applicable to most other laws administered by the Veterans' Administration. This title would also provide that the records and accounts of institutions pertaining to eligible veterans shall be available for examination by representatives of the Government.

The bill would preclude payment to any person found to have willfully submitted false or misleading claims and would require the Administrator to make a complete report of the facts to the appropriate State approving agency where he finds that an institution or establishment has willfully submitted a false or misleading claim or where a veteran, with the complicity of an institution or establishment, has submitted such a claim. There is a special provision prescribing criminal penalties and forfeitures in cases of persons, inclusive of veterans, making or presenting willfully false, fictitious, or fraudulent statements concerning a claim or committing certain other described acts.

It is noted that the provision for forfeiture of rights, claims, and benefits by a person violating the penal section relates to forfeiture of benefits under this educational and training title and under Public No. 2, Seventy-third Congress, as amended, but does not extend to other benefits administered by the Veterans' Administration. In this respect it is more limited than the existing law which, generally speaking, applies the forfeiture provision to benefits under the various Veterans' Administration programs. This uniform effect could be better accomplished by eliminating the forfeiture provision from the detailed section of the bill providing criminal penalties and by including in the general section which makes the provisions of Public Law 262, Seventy-fourth Congress, and of titles II and III, Public Law 844, Seventy-fourth Congress applicable, the provision that section 15 of Public, No. 2, Seventy-third Congress, as amended, shall also be for application under this title. This statutory reference provides the basic authority for administrative forfeiture of benefits under many veterans' laws where certain wrongful acts occur.

While the bill (sec. 261 (a)) contains the usual provision authorizing the Administrator to promulgate rules and regulations consistent with this title and necessary to carry out its purposes, the same section contains the added provision that notwithstanding section 11 of the act of October 17, 1940, pay-

ments under this program would be subject to audit and review by the General Accounting Office. This is a radical departure from the established statutory principle that decisions of the Administrator relative to payment of benefits shall be final and not subject to review or question by other officials of the Government or by the courts. The assistance provided under this proposal would consist of gratuity payments to eligible veterans and would not involve transactions and contracts with institutions or establishments respecting payments of tuition and other charges. Such charges would be paid by the veteran direct to the institution, without the intervention of the Government. I must strongly urge against the enactment of this provision of the bill which would run directly counter to the established policy, would breed delays, conflicts of interpretation, and inefficiency, and would represent a system of split responsibility which by its very nature would militate against the successful execution of this beneficial legislation. My reasons for opposing this exception to the principle of finality of decision were set forth at greater length in my letter to the committee of April 24, 1952, a copy of which is enclosed.

Because of the many uncertain factors involved, notably the continuing size of the Armed Forces, the rate of discharge, and the length of the basic service period, it is difficult to undertake a precise estimate of the cost of this bill, if enacted. However, based upon the assumption that approximately 800,000 persons will be discharged from the military service each year commencing as of July 1, 1951, and that approximately 22 percent of those discharged prior to July 1, 1951, and 55 percent of those discharged thereafter, will enter training, it is estimated that the benefit cost of this title of H. R. 7656, Eighty-second Congress, for fiscal year 1953 would approximate \$317,790,000, that the benefit cost for fiscal year 1954 would approximate \$727,386,000, and that the third and subsequent yearly benefit cost in the leveling-off period would approximate \$815,760,000. In addition, the estimated cost for salaries and expenses for administration under the new program would be \$7,000,000 for the first fiscal year, \$16,000,000 for the second fiscal year, and \$18,000,000 for each fiscal year thereafter. The unit cost per month per trainee for direct benefits only is estimated as \$107 during the first fiscal year, and \$103 during the second and subsequent fiscal years.

TITLE III—LOANS

The general purpose of this title is to extend the loan guaranty provisions of title III of the Servicemen's Readjustment Act of 1944, as amended, to persons in the active service on and after June 27, 1950, and prior to a termination date to be determined by the President or the Congress. In addition, this title of the bill would make certain amendments to the existing provisions of title III of the Servicemen's Readjustment Act, which it is believed, would strengthen that program from the standpoint of both the Government and the veteran as well as confirm some procedures which have already been established pursuant to general authority contained in the present law. The extension of this loan-assistance program to the new group of veterans would be accomplished by a simple amendment to the present law so that, except for the fact that the eligible period of service would be the mentioned period beginning June 27, 1950, members of the new group would be subject to the same service requirements as are applicable to World War II veterans and would be entitled to the same loan benefits, consisting of guaranty or insurance of home, farm and business loans, as well as direct home loans under certain circumstances pursuant to the existing temporary direct loan program. Similarly, the unremarried widows of such veterans who died from service-connected causes would be eligible for these loan benefits as are the widows of deceased World War II veterans under similar circumstances.

The existing authority for guaranteeing loans in favor of World War II veterans is due to expire on July 25, 1957, which is 10 years after the termination of World War II as fixed for this purpose by Public Law 239, Eightieth Congress. In line with this time limitation, the bill would provide that the loan assistance for the new group of veterans would be available in connection with loans made within 10 days after the end of the emergency service period, to be determined as indicated.

The bill takes notice of the fact that there will be instances in which an individual may have served both in World War II and during the current emergency period, and provides that a person who is eligible for the benefits of this loan program by virtue of active service prior to June 27, 1950, or who is the owner of property acquired through benefits accruing for prior service, shall not be eligible for additional benefits based on service after June 27, 1950,

with the proviso that any guaranty entitlement used prior to reentry into service as to which the Administrator has incurred no loss and is no longer subject to contingent liability shall be restored to any veteran separated from the service after June 27, 1950. These provisions of the title III amendments are not clear and may present serious difficulties of interpretation unless clarified. In view of the urgency of the request for a report, however, time will not permit a detailed analysis and discussion of the possible meanings which may be attributed to this language of the bill.

The bill would add a new subsection "(f)" to section 500 of the Servicemen's Readjustment Act, to affirm by express statutory language, the right of the Veterans' Administration under section 504 of the Servicemen's Readjustment Act to regulate the origination of loans by supervised lenders on an automatic guaranty basis by requiring prior approval for certain types of loans as to which prior approval is considered advisable by the Administrator, e. g., a joint business loan to a veteran and a nonveteran. In addition, the new subsection would grant a specific authority which would allow the Administrator to terminate nonprior approval loan originations by a particular lender who may have indulged in practices which are imprudent from a loan standpoint or which are prejudicial to the interests of veterans or the Government but not to a degree that would warrant complete suspension of such lender from participation in the program.

Subsection 501 (a) (2) would be changed to include therein a specific requirement that the veteran be a satisfactory credit risk. As to guaranteed loans such is a mere inferential requirement of existing law but is a specific requirement for direct loans made under section 512 of the act.

The current provisions of section 504 (b) of the Servicemen's Readjustment Act have been broadened by these amendments to make it possible to reject projects for noncompliance in cases where a developer is averse to complying with the request of the Veterans' Administration for adequate off-site facilities. In its present form section 504 (b) requires as a condition to financing through the assistance of this program that the residential property involved must conform to minimum construction requirements prescribed by the Administrator. Primarily to introduce additional requirements with respect to off-site facilities, the bill would amend and reenact section 504 (b) to provide that no loan for the purchase or construction of residential property on which construction is begun subsequent to 60 days from the effective date of the new law, shall be financed through the assistance of this loan program unless the property meets or exceeds the minimum requirements for planning, construction, and general acceptability prescribed by the Administrator. The amendment would also add a provision that this subsection shall not be applicable to a loan for the purchase of residential property, which was completed more than 1 year prior to the making of such loan. Such provision preserves the right of veterans to use loan guaranty benefits to purchase homes constructed at such a remote time as to render it impractical for the Veterans' Administration to attempt to require strict compliance with the standards applicable to the planning and construction of proposed properties. As to the purchase of homes completed more than a year prior to the making of the guaranteed loan section 501 (a) requires that the nature and condition of the property be such as to be suitable for dwelling purposes. In addition, the Administrator can exercise a large measure of control through application of the "reasonable value" clause in the act in the event the property involves any apparent undesirable construction features.

The proposed new subsection 504 (c) would provide that the seller of a newly constructed dwelling unit sold for initial occupancy to an eligible veteran with the aid of financing guaranteed or insured by a Federal agency, would be deemed to have expressly warranted to such purchaser that the dwelling is constructed in substantial conformity with the plans and specifications on which such agency has based its valuation or commitment. The warranty would also be made by such other persons as may be required by such Federal agency to become warrantors. In order to place a reasonable limitation on the warrantor's liability this amendment provides that it would apply only with respect to failures of performance as to which the purchaser has given written notice to the warrantor within 1 year from the date of initial occupancy. It is considered that major defects in construction usually will be revealed in the first year after occupancy.

Considerable attention has been given by various committees of the Congress to the vexatious problems encountered by some veterans who have received Government assistance in financing the purchase of homes but have had no effective recourse against the sellers or sponsors of new construction on account of faulty

construction due to failure of the builder to conform to plans and specifications he submitted to the Government prior to construction of the properties. It is hoped that the statutory warranty provided by this bill and applicable to federally aided loans for the acquisition of newly constructed dwellings by eligible veterans will materially assist in relieving this problem.

As a further aid in protecting veterans as well as the Government against persons whose previous practices in relation to the marketing of properties, and the type of contract of sale, have been unfair to veteran purchasers, the bill would add a subsection (d) to section 504 of the basic act to enable the Administrator to refuse to appraise any dwelling or housing project, owned, sponsored, or to be constructed by such persons. The Administrator may also refuse to appraise properties proposed to be constructed by persons who have previously sold substantially defective housing to veterans.

The bill would amend section 507 (1) of the basic act to provide, in the case of a loan for the refinancing of delinquent indebtedness which is sought to be guaranteed for a veteran of the new service group, that such a loan must have been in default not later than 10 years after the close of the service period as determined by the President or the Congress. This carries out the pattern of the existing limitation applicable to World War II veterans.

Section 512 (b) of the Servicemen's Readjustment Act would be amended by the bill to provide for cases in which a commitment to make a direct loan is issued prior to the expiration date of the direct loan program but such loan cannot be made before such date occurs. This amendment would permit normal processing up to the expiration date of June 30, 1953, even though the actual completion of the loan would be delayed beyond that date.

The bill would add a new section 514 to title III of the Servicemen's Readjustment Act, the purpose of which is to provide specific authority to suspend, temporarily or permanently, future participation in the program by a lender or holder who has indulged in practices detrimental to the interests of veterans or the Government. This is another sanction which, though applicable after abuses have already occurred, should operate as an effective deterrent in the cases of those lenders whose volume of business may be dependent to a considerable extent on maintaining their good standing with the Government and with veterans. It will clarify and confirm the authority of the Administrator to take this action where necessary. Specifically, this amendment provides that where the Administrator finds that any lender or holder has failed to maintain adequate loan accounting records as to loans previously guaranteed or insured, or to demonstrate proper ability to service such loans or to exercise proper credit judgment or has willfully or negligently engaged in practices otherwise detrimental to the interests of veterans or the Government, he may refuse either temporarily or permanently to guarantee or insure further loans made by such person or bar him from acquiring loans guaranteed or insured under this program.

As indicated, some of these amendments would be perfecting additions to the existing law, applicable alike to loans guaranteed or insured hereafter for eligible veterans of World War II, as well as veterans of the new service group. Basically, however, this title of the bill would simply extend the loan assistance previously provided by title III of the Servicemen's Readjustment Act in favor of World War II veterans, to those persons serving in the Armed Forces on or after June 27, 1950, and prior to a terminal date to be determined.

Because of the many uncertain factors involved, it is not possible to furnish an estimate of cost of this title of the bill, should it be enacted. It may be stated, however, that the cost to the Government, other than for administration and the payment of the 4 percent gratuity, would depend upon the rates of default and foreclosure to be experienced. To date, claim payments have been very low in relation to the nearly 3,000,000 guaranteed or insured home, farm, and business loans. Thus, for home loans, which comprise the great bulk of the loans, claim payments have been necessary in only about one-half of 1 percent of the total of loans closed.

VETERANS' ADMINISTRATION,
Washington 25, D. C., April 24, 1952.

HON. JOHN E. RANKIN,

*Chairman, Committee on Veterans' Affairs,
House of Representatives, Washington 25, D. C.*

DEAR MR. RANKIN: Because of the importance of the principles involved and the possible harmful effect on the accomplishment of the responsibilities of my office I feel impelled to write you respecting the representations which have

been made by the Comptroller General concerning amendatory legislation which would subject the decisions of the Administrator of Veterans' Affairs to the over-riding authority of the Comptroller General. I have specific reference to the Comptroller's letter of April 8, 1952 (Committee Print No. 268), and his letter of October 5, 1951 (Committee Print No. 191). I request the most serious consideration of the committee and the Congress on this subject.

In the letter of October 5, on H. R. 5040, Eighty-second Congress, repeating a prior letter to the Senate Committee on Labor and Public Welfare on S. 1940, Eighty-second Congress, the Comptroller General expressed the view that he would "not be so concerned if this was purely a veterans' benefit bill, providing for pensions or some form of direct gratuity to veterans." Notwithstanding this, in the more recent letter which relates to a committee draft bill which, if enacted, would afford educational and other benefits to veterans of the Korean conflict, the Comptroller General strongly recommends that he be given authority over the payments to be made under said bill and this notwithstanding the fact that it relates only to gratuity payments to veterans, there having been eliminated any necessity for contracting with schools or the fixing of rates, a matter which occasioned no inconsiderable difficulty under title II of the Servicemen's Readjustment Act of 1944, as amended.

There is some lack of consistency apparent in the Comptroller General's various representations in this respect. In testimony before the Senate Committee on Labor and Public Welfare, before the so-called Teague committee, as well as in hearings of the Subcommittee on Governmental Expenditures, representatives of the Office of the Comptroller General stated in effect that the "finality of decision" afforded by section 11, Public Law 866, Seventy-sixth Congress, prevents the Comptroller General from having any power over decisions of the Administrator in either benefit or contractual matters. Obviously this is incorrect because the statute in question makes the Administrator's decisions final specifically and only with respect to benefits payable to veterans. Even with respect to insurance matters, section 5 of the World War Veterans' Act, as amended (38 U. S. C. 426) and section 608 of the National Service Life Insurance Act (38 U. S. C. 808) provide that the decisions of the Administrator are final only with respect to any other Government official, both statutes specifically providing that the courts shall have jurisdiction over any claim under such contracts of insurance. It will be seen, therefore, except as stated that there are no statutory provisions which in any way interfere with the prerogatives and duties of the Comptroller General under the Budget and Accounting Act of 1921, as amended, respecting the settlement of contractual matters in general.

Notwithstanding the foregoing, there was some basis for the differences of view of the Comptroller General respecting the determination of rates and the embodiment thereof in contracts for the education and training of veterans under title II of the Servicemen's Readjustment Act of 1944, as amended, but this came about by reason of the fact that said title II (specifically paragraphs 3 and 5) gave the Administrator discretionary authority to determine fair and reasonable rates under certain conditions. To implement such discretionary responsibility, the Administrator issued numerous regulations applying to different situations and prescribing either specific rates or methods of determining fair and reasonable rates within the contemplation of the statute and the limitations thereof. The Comptroller General questioned many of these and in every instance where departure from these regulations was shown by the reports of his representatives, corrective action was taken without question. However, on those matters in which the action was in accordance with the determinations made by the Administrator under his discretionary power, no administrative action was taken and the Comptroller General reported the same to the Congress as is his prerogative and duty.

The legislation making the Administrator's decisions final with respect to benefit payments was enacted by the Congress specifically to overcome adverse action of the then Comptroller General and so as to prevent interference with, and delay in, the carrying out of the beneficial purposes of veterans' legislation and also to prevent costly and extended litigation necessary to overcome the Comptroller General's adverse rulings. The only serious objection, so far as is known, taken by the Comptroller General with respect to this matter occurred a year or so ago with direct reference to the 1948 special dividend on national service life insurance policies and with particular reference to policies as to which for a period of time the Government itself had paid the premiums, i. e., while the insured was engaged in flight training as a cadet. In that connection, representatives of the Office of the Comptroller General with the final concurrence of the

Committee on Expenditures urged that the decision of the Administrator being final under section 608 of the statute, I could with impunity decide any way I saw fit. Aside from the fact that to decide any issue except strictly in accordance with law is insupportable in a government of law this position overlooked the fact that any decision respecting an insurance contract is justifiable. The Comptroller General reported this matter to the Congress through the Appropriations Committee and urged amendatory legislation to prevent the Administrator paying the dividends; but the Congress for reasons well stated in the debate refused to interfere. In fact it was pointed out by some of the most able lawyers and former judges in the Congress that the decision of the Administrator was clearly in accord with law. Notwithstanding this the Assistant Comptroller General testified before the Subcommittee on Expenditures that if it were not for the provisions of section 608 of the act, the General Accounting Office would have disallowed the payment of all such dividends.

There are, of course, as conceded by the Comptroller General, numerous other statutes which make final the decisions of the various administrative officials. A somewhat recent example is the provision added to section 42 of the Federal Employees' Compensation Act by the act of July 28, 1945 (5 U. S. C. 793). In reports which have been rendered to your committee concerning numerous bills, specifically H. R. 6425, it has been pointed out that the purpose of these provisions making the administrative decisions final is to expedite the administration of beneficial statutes. If the recommendation of the Comptroller General is adopted by the Congress in the pending bill (committee draft bill referred to hereinbefore), it will inevitably slow up the issuance of necessary regulations and will cause innumerable overpayments because of the belated decision of the Comptroller General vetoing or overriding the regulations and decisions of the Veterans' Administration. This deterrent to fluent administration and prompt service would be a recurrent and continuing problem. The Comptroller's assurance that there would be a "minimum of interference" is assuring but not determinative. The question is, of course, not one of personalities or promises, but one of basic principle. It is not charged or even implied that the possibilities inherent in such overriding power will be exploited to their utmost extent, nor is it implied that the Comptroller General is any less capable of construing the statute than is the Administrator of Veterans' Affairs. It is a fact, of course, that there well may be a different approach inasmuch as the Comptroller General claims to be the representative of the Congress and therefore responsible for minimizing payments out of appropriated funds, whereas the Administrator who is nonetheless a representative of the Congress in carrying out the beneficial purposes of the veterans' laws is rather naturally inclined to a liberal view in construing such statutes. What is emphatically suggested is that this proposed system of divided responsibility will, of necessity, militate against the successful and efficient administration of this new benefit program.

I feel sure the committee and the Congress will realize that my concern in this matter does not derive from any desire to reject constructive criticism. I am deeply anxious that any legislation which is enacted will provide me with the necessary tools and power to execute the necessary legislation in accord with its liberal purpose. I have been grateful that similar recommendations of the Comptroller General in the past have not been accepted. I firmly believe, based upon experiences of my predecessors, as well as occurrences during my own term in office, that the procedure for independent auditing and review of payments to veterans urged by the Comptroller General would necessarily involve such diffusion of responsibility and control as would materially impair the carrying out of the responsibilities of my office. Accordingly, I vigorously urge that there be no provision for this kind of administrative restraint in the proposed legislation. I will be glad, if desired, to reinforce this recommendation by oral testimony before the committee.

Sincerely yours,

CARL R. GRAY, Jr., *Administrator.*

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

For the information of the Members of the House, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

SERVICEMEN'S READJUSTMENT ACT OF 1944, AS AMENDED

TITLE III—LOANS FOR THE PURCHASE OR CONSTRUCTION OF HOMES,
FARMS, AND BUSINESS PROPERTY

CHAPTER V—GENERAL PROVISIONS FOR LOANS

SEC. 500. (a) Any person who shall have served in the active military or naval service of the United States at any time on or after September 16, 1940, and prior to the termination of the present war, *or at any time on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress*, and who shall have been discharged or released therefrom under conditions other than dishonorable after active service of ninety days or more, or by reason of an injury or disability incurred in service in line of duty, shall be eligible for the benefits of this title: *Provided, That any person who is eligible for the benefits of this title by virtue of active service prior to June 27, 1950, or is the owner of property acquired through benefits accruing for prior service, shall not be eligible for additional benefits under this title by reason of active service on or after June 27, 1950: Provided further, That any guaranty entitlement used prior to reentry into service as to which the Administrator has incurred no loss and is no longer subject to contingent liability shall be restored to any veteran separated from the service after June 27, 1950.* The unmarried widow of any person who met the service requirements for benefits under this title and who died, either in service or after separation from service under conditions other than dishonorable, as a result of injury or disease incurred in or aggravated by such service in line of duty (other than any such widow who by reason of her own service is eligible for the benefits of this title), shall also be eligible for the benefits of this title; and the term "veteran" as used in this title shall include any such unmarried widow. Any loan made by such veteran within ten years after the termination of the war, *and any loan to a veteran eligible by virtue of active service on or after June 27, 1950, if made within ten years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress*, for any of the purposes, and in compliance with the provisions, specified in this title, is automatically guaranteed by the Government by this title in an amount not exceeding fifty per centum of the loan: *Provided, That the aggregate amount guaranteed shall not exceed \$2,000 in the case of non-real-estate loans, nor \$4,000 in the case of real-estate loans; or a prorated portion thereof on loans of both types or combination thereof.* In computing the aggregate amount of guaranty or insurance entitlement available to a veteran under this title, the Administrator may in his discretion exclude the initial use of the guaranty or insurance entitlement used for any loan with respect to which the security (1) has been taken (by condemnation or otherwise) by the United States, any State, or a local government agency for public use, or (2) has been destroyed by fire or other natural hazard, or (3) has been disposed of because of other compelling reasons devoid of fault on the part of the veteran: *Provided, That any amount paid by the Administrator under section 500 (c) of this part shall be deducted from the amount payable on the succeeding loan under that section.*

* * * * *

(f) *Notwithstanding the provisions in this title respecting automatically guaranteed loans, the Administrator may at any time upon thirty days' notice require loans to be made by any lender or class of lenders to be submitted for prior approval, and no guaranty or insurance liability shall exist in respect to such loans unless evidence of guaranty or insurance is issued by the Administrator.*

PURCHASE OR CONSTRUCTION OF HOMES

SEC. 501. (a) Any loan made to a veteran under this title, the proceeds of which are to be used for purchasing residential property or constructing a dwelling to be occupied as his home or for the purpose of making repairs, alterations, or improvements in property owned by him and occupied as his home, is automatically guaranteed if made pursuant to the provisions of this title, including the following:

- (1) That the proceeds of such loan will be used for payment of the property purchased or constructed or improved;
- (2) That the contemplated terms of payment required in any mortgage to be given in part payment of the purchase price or the construction cost

bear a proper relation to the veteran's present and anticipated income and expenses, *and the veteran is a satisfactory credit risk*; and that the nature and condition of the property is such as to be suitable for dwelling purposes; and

(3) That the price paid or to be paid by the veteran for such property or for the cost of construction, repairs, or alterations does not exceed the reasonable value thereof as determined by proper appraisal made by an appraiser designated by the Administrator.

* * * * *

REGULATIONS

SEC. 504. (a) The Administrator is authorized to promulgate such rules and regulations not inconsistent with this title, as amended, as are necessary and appropriate for carrying out the provisions of this title, and may delegate to subordinate employees authority to issue certificates, or other evidence, of guaranty of loans guaranteed under the provisions of this title, and to exercise other administrative functions hereunder.

(b) No loan for the purchase or construction of residential property on which construction is begun subsequent to sixty days [after] from the date [of enactment of the Housing Act of 1950,] *the Veterans' Readjustment Assistance Act of 1952 becomes effective* shall be financed through the assistance of the provisions of this title unless the property [conforms to] *meets or exceeds* minimum [construction] requirements for planning, construction, and general acceptability prescribed by the Administrator: *Provided, That subsection 504 (b) as originally enacted shall continue to be applicable to construction begun prior to the end of such sixty-day period: Provided further, That this subsection shall not apply to a loan for the purchase of residential property the construction of which was completed more than one year prior to the making of such loan.*

(c) *The seller of a newly constructed dwelling unit which is sold for initial occupancy to any person who meets the eligibility requirements of section 500 (a) or section 1506 of this Act, as amended, with the aid of financing guaranteed or insured by an agency or instrumentality of the Federal Government, and such other person as may be required by such agency or instrumentality to become warrantor, shall be deemed to have expressly warranted to such purchaser that the dwelling is constructed in substantial conformity with the plans and specifications on which such agency or instrumentality based its valuation of the unit or its commitment to guarantee or insure a loan to finance the construction or purchase of such unit. Such warrants shall apply only with respect to failures of performances as to which the purchaser has given written notice to the warrantor within one year from the date of initial occupancy.*

(d) *The Administrator shall have the right to refuse to appraise any dwelling or housing project owned, sponsored, or to be constructed by any persons identified with housing previously sold to veterans under this title as to which substantial deficiencies have been discovered, or as to which there has been a failure or indicated inability to discharge contractual liabilities to veterans, or as to which it is ascertained that the type of contract of sale or the methods or practices pursued in relation to the marketing of such properties were unfair or unduly prejudicial to veteran purchasers.*

* * * * *

LOANS ON DELINQUENT INDEBTEDNESS

SEC. 507. Any loan made to a veteran, the proceeds of which are to be used to refinance any indebtedness of the veteran which is secured of record on property to be used or occupied by the veteran as a home or for farming purposes, or indebtedness incurred by him in the pursuit of a gainful occupation which he is pursuing or which he proposes in good faith to pursue, or any delinquent taxes or assessments on such property or business, is automatically guaranteed if made pursuant to the provisions of this title, including the following:

(1) Such loan became in default or the delinquency occurred not later than ten years after the termination of the war or, *in the case of a veteran eligible by virtue of active service on or after June 27, 1950, not later than ten years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress*;

(2) Such refinancing will aid the veteran in his economic readjustment; and

(3) The amount of the guaranteed loan does not exceed the reasonable value of the property or business, as determined by proper appraisal made by an appraiser designated by the Administrator.

* * * * *

SUPPLEMENTAL DIRECT LOANS TO VETERANS

SEC. 512. (a) * * *

(b) Loans made under this section shall bear interest at the rate of 4 per centum per annum and shall be subject to such requirements or limitations prescribed for loans guaranteed under this title as may be applicable: *Provided, That—*

(A) the original principal amount of any such loan shall not exceed \$10,000;

(B) the guaranty entitlement of the veteran shall be charged with the same amount that would be deducted if the loan had been guaranteed to the maxima permitted under section 500 (a) of this title;

[(D)] (C) the authority to make loans under this section shall expire June 30, 1953, *except that if a commitment to make such a loan was issued by the Administrator prior to that date the loan may be completed subsequent to such date.*

* * * * *

Sec. 514. Whenever the Administrator finds with respect to loans guaranteed or insured under this title that any lender or holder has failed to maintain adequate loan accounting records, or to demonstrate proper ability to service loans adequately or to exercise proper credit judgment or has willfully or negligently engaged in practices otherwise detrimental to the interest of veterans or of the Government, he may refuse either temporarily or permanently to guarantee or insure any loans made by such lender or holder or bar such lender or holder from acquiring loans guaranteed or insured under this title: Provided, That the Administrator shall not refuse to pay a guarantee on loans heretofore entered into in good faith between the veteran and the lending institution.

* * * * *

TITLE IV

CHAPTER VI—EMPLOYMENT OF VETERANS

* * * * *

SEC. 607. The term "veteran" as used in this title shall mean a person who served in the active service of the [armed forces] *Armed Forces* during a period of war in which the United States has been, or is, engaged, *or during the period on or after June 27, 1950, and prior to such date as may be thereafter determined by Presidential proclamation or concurrent resolution of the Congress, and who has been discharged or released therefrom under conditions other than dishonorable.*

SOCIAL SECURITY ACT, AS AMENDED

TITLE I—GRANTS TO THE STATES FOR OLD-AGE ASSISTANCE

* * * * *

TITLE II—FEDERAL OLD-AGE AND SURVIVORS' INSURANCE BENEFITS

* * * * *

EVIDENCE, PROCEDURE, AND CERTIFICATION FOR PAYMENT

* * * * *

Crediting of Compensation Under the Railroad Retirement Act

SEC. 205. (o) If there is no person who would be entitled, upon application therefor, to an annuity under section 5 of the Railroad Retirement Act of 1937, or to a lump-sum payment under subsection (f) (1) of such section, with respect to the death of an employee (as defined in such Act), then, notwithstanding section 210 (a) (10) of this Act, compensation (as defined in such Railroad Retirement Act, but excluding compensation attributable as having been paid during

any month on account of military service creditable under section 4 of such Act if wages are deemed to have been paid to such employee during such month under [section 217 (a)] *subsection (a) or (c) of section 217 of this Act*) of such employee shall constitute remuneration for employment for purposes of determining (A) entitlement to and the amount of any lump-sum death payment under this title on the basis of such employee's wages and self-employment income and (B) entitlement to and the amount of any monthly benefit under this title, for the month in which such employee died or for any month thereafter, on the basis of such wages and self-employment income. For such purposes, compensation (as so defined) paid in a calendar year shall, in the absence of evidence to the contrary, be presumed to have been paid in equal proportions with respect to all months in the year in which the employee rendered services for such compensation.

* * * * *

BENEFITS IN CASE OF WORLD WAR II VETERANS

SEC. 217. (a) (1) For purposes of determining entitlement to and the amount of any monthly benefit for any month after August 1950, or entitlement to and the amount of any lump-sum death payment in case of a death after such month, payable under this title on the basis of the wages and self-employment income of any World War II veteran, such veteran shall be deemed to have been paid wages (in addition to the wages, if any, actually paid to him) of \$160 in each month during any part of which he served in the active military or naval service of the United States during World War II. This subsection shall not be applicable in the case of any monthly benefit or lump-sum death payment if—

(A) a larger such benefit or payment, as the case may be, would be payable without its application; or

(B) a benefit (other than a benefit payable in a lump sum unless it is a commutation of, or a substitute for, periodic payments) which is based, in whole or in part, upon the active military or naval service of such veteran during World War II is determined by any agency or wholly owned instrumentality of the United States (other than the Veterans' Administration) to be payable by it under any other law of the United States or under a system established by such agency or instrumentality.

(2) Upon application for benefits or a lump-sum death payment on the basis of the wages and self-employment income of any World War II veteran, the Federal Security Administrator shall make a decision without regard to clause (B) of paragraph (1) of this subsection unless he has been notified by some other agency or instrumentality of the United States that, on the basis of the military or naval service of such veteran during World War II, a benefit described in clause (B) of paragraph (1) has been determined by such agency or instrumentality to be payable by it. If he has not been so notified, the Federal Security Administrator shall then ascertain whether some other agency or wholly owned instrumentality of the United States has decided that a benefit described in clause (B) of paragraph (1) is payable by it. If any such agency or instrumentality has decided, or thereafter decides, that such a benefit is payable by it, it shall not so notify the Federal Security Administrator, and the Administrator shall certify no further benefits for payment or shall recompute the amount of any further benefits payable, as may be required by paragraph (1) of this subsection.

(3) Any agency or wholly owned instrumentality of the United States which is authorized by any law of the United States to pay benefits, or has a system of benefits which are based, in whole or in part, on military or naval service during World War II shall, at the request of the Federal Security Administrator, certify to him, with respect to any veteran, such information as the Administrator deems necessary to carry out his functions under paragraph (2) of this subsection.

(b) (1) Any World War II veteran who died during the period of three years immediately following his separation from the active military or naval service of the United States shall be deemed to have died a fully insured individual whose primary insurance amount is the amount determined under section 215 (c). Notwithstanding section 215 (d), the primary insurance benefit (for purposes of section 215 (c)) of such veteran shall be determined as provided in this title as in effect prior to the enactment of this section, except that the 1 per centum addition provided for in section 209 (e) (2) of this Act as in effect prior to the enactment of this section shall be applicable only with respect to calendar years

prior to 1951. This subsection shall not be applicable in the case of any monthly benefit or lump-sum death payment if—

(A) a larger such benefit or payment, as the case may be, would be payable without its application;

(B) any pension or compensation is determined by the Veterans' Administration to be payable by it on the basis of the death of such veteran;

(C) the death of the veterans occurred while he was in the active military or naval service of the United States; or

(D) such veteran has been discharged or released from the active military or naval service of the United States subsequent to July 26, 1951.

(2) Upon an application for benefits or a lump-sum death payment on the basis of the wages and self-employment income of any World War II veteran, the Federal Security Administrator shall make a decision without regard to paragraph (1) (B) of this subsection unless he has been notified by the Veterans' Administration that pension or compensation is determined to be payable by the Veterans' Administration by reason of the death of such veteran. The Federal Security Administrator shall thereupon report such decision to the Veterans' Administration. If the Veterans' Administration in any such case has made an adjudication or thereafter makes an adjudication that any pension or compensation is payable under any law administered by it, it shall notify the Federal Security Administrator, and the Administrator shall certify no further benefits for payment, or shall recompute the amount of any further benefits payable, as may be required by paragraph (1) of this subsection. Any payments theretofore certified by the Federal Security Administrator on the basis of paragraph (1) of this subsection to any individual, not exceeding the amount of any accrued pension or compensation payable to him by the Veterans' Administration, shall (notwithstanding the provisions of section 3 of the Act of August 12, 1935, as amended (38 U. S. C., sec. 454a)) be deemed to have been paid to him by such Administration on account of such accrued pension or compensation. No such payment certified by the Federal Security Administrator, and no payment certified by him for any month prior to the first month for which any pension or compensation is paid by the Veterans' Administration shall be deemed by reason of this subsection to have been an erroneous payment.

(c) In the case of any World War II veteran to whom subsection (a) is applicable, proof of support required under section 202 (h) may be filed by a parent at any time prior to July 1951 or prior to the expiration of two years after the date of the death of such veteran, whichever is the later.

(d) For the purposes of this section—

(1) The term "World War II" means the period beginning with September 16, 1940, and ending at the close of July 24, 1947.

(2) The term "World War II veteran" means any individual who served in the active military or naval service of the United States at any time during World War II and who, if discharged or released therefrom, was so discharged or released under conditions other than dishonorable after active service of ninety days or more or by reason of a disability or injury incurred or aggravated in service in line of duty; but such term shall not include any individual who died while in the active military or naval service of the United States if his death was inflicted (other than by an enemy of the United States) as lawful punishment for a military or naval offense.

(e) (1) *For purposes of determining entitlement to and the amount of any monthly benefit or lump-sum death payment payable under this title on the basis of the wages and self-employment income of any veteran of active military or naval service on or after June 27, 1950, such veteran shall be deemed to have been paid wages (in addition to the wages, if any, actually paid to him) of \$160 in each month during any part of which he served in the active military or naval service of the United States on or after June 27, 1950, and before January 1, 1953. This subsection shall not be applicable in the case of any monthly benefit or lump-sum death payment if—*

(A) a larger such benefit or payment, as the case may be, would be payable without its application; or

(B) a benefit (other than a benefit payable in a lump sum unless it is a commutation of, or a substitute for, periodic payments which is based, in whole or in part, upon the active military or naval service of such veteran on or after June 27, 1950, and before January 1, 1953, is determined by any agency or wholly owned instrumentality of the United States (other than

the Veterans' Administration) to be payable by it under any other law of the United States or under a system established by such agency or instrumentality.

The provisions of clause (B) shall not be applicable in the case of any monthly benefit or lump-sum death payment under this title if its application would reduce the primary insurance amount (as computed under section 215 prior to any recomputation thereof pursuant to subsection (f) of such section) of the individual on whose wages and self-employment income such benefit or payment is based by \$0.50 or less.

(2) Upon application for benefits or a lump-sum death payment on the basis of the wages and self-employment income of any veteran of active military or naval service on or after June 27, 1950, the Federal Security Administrator shall make a decision without regard to clause (B) of paragraph (1) of this subsection unless he has been notified by some other agency or instrumentality of the United States that, on the basis of the military or naval service of such veteran on or after June 27, 1950, and before January 1, 1953, a benefit described in clause (B) of paragraph (1) has been determined by such agency or instrumentality to be payable by it. If he has not been so notified, the Federal Security Administrator shall then ascertain whether some other agency or wholly owned instrumentality of the United States has decided that a benefit described in clause (B) of paragraph (1) is payable by it. If any such agency or instrumentality has decided, or thereafter decides, that such a benefit is payable by it, it shall so notify the Federal Security Administrator, and the Administrator shall certify no further benefits for payment or shall recompute the amount of any further benefits payable, as may be required by paragraph (1) of this subsection.

(3) Any agency or wholly owned instrumentality of the United States which is authorized by any law of the United States to pay benefits, or has a system of benefits which are based, in whole or in part, on military or naval service on or after June 27, 1950, and before January 1, 1953, shall, at the request of the Federal Security Administrator, certify to him, with respect to any veteran of active military or naval service on or after June 27, 1950, such information as the Administrator deems necessary to carry out his functions under paragraph (2) of this subsection.

(4) There are hereby authorized to be appropriated to the Trust Fund from time to time, as benefits which include service to which this subsection is applicable become payable under this title, such sums as the Administrator estimates to be necessary to meet the additional costs, resulting from this subsection, of such benefits (including lump-sum death payments). Such estimates shall be arrived at through the use of appropriate accounting, statistical, sampling, or other methods.

(5) For the purposes of this subsection, the term "veteran" means any individual who served in the active military or naval service of the United States at any time on or after June 27, 1950, and before January 1, 1953, and who, if discharged or released therefrom, was so discharged or released under conditions other than dishonorable after active service of ninety days or more or by reason of a disability or injury incurred or aggravated in service in line of duty; but such term shall not include any individual who died while in the active military or naval service of the United States if his death was inflicted (other than by an enemy of the United States) as lawful punishment for a military or naval offense.

* * * * *

SOCIAL SECURITY ACT AMENDMENTS OF 1950

TITLE I—AMENDMENTS TO TITLE II OF THE SOCIAL SECURITY ACT

OLD-AGE AND SURVIVORS INSURANCE BENEFITS

SEC. 101. (a) Section 202 of the Social Security Act is amended to read as follows:

* * * * *

(b) (1) Except as provided in paragraph (3), the amendment made by subsection (a) of this section shall take effect September 1, 1950.

(2) Section 205 (m) of the Social Security Act is repealed effective with respect to monthly benefits under section 202 of the Social Security Act, as amended by this Act, for months after August 1950.

(3) Section 202 (j) (2) of the Social Security Act, as amended by this Act, shall take effect on the date of enactment of this Act.

(c) (1) Any individual entitled to primary insurance benefits or widow's current insurance benefits under section 202 of the Social Security Act as in effect prior to its amendment by this Act who would, but for the enactment of this Act, be entitled to such benefits for September 1950 shall be deemed to be entitled to old-age insurance benefits or mother's insurance benefits (as the case may be) under section 202 of the Social Security Act, as amended by this Act, as though such individual became entitled to such benefits in such month.

(2) Any individual entitled to any other monthly insurance benefits under section 202 of the Social Security Act as in effect prior to its amendment by this Act who would, but for the enactment of this Act, be entitled to such benefits for September 1950 shall be deemed to be entitled to such benefits under section 202 of the Social Security Act, as amended by this Act, as though such individual became entitled to such benefits in such month.

(3) Any individual who files application after August 1950 for monthly benefits under any subsection of section 202 of the Social Security Act who would, but for the enactment of this Act, be entitled to benefits under such subsection (as in effect prior to such enactment) for any month prior to September 1950 shall be deemed entitled to such benefits for such month prior to September 1950 to the same extent and in the same amounts as though this Act had not been enacted.

(d) Lump-sum death payments shall be made in the case of individuals who died prior to September 1950 as though this Act had not been enacted; except that in the case of any individual who died outside the forty-eight States and the District of Columbia after December 6, 1941, and prior to August 10, 1946, the last sentence of section 202 (g) of the Social Security Act as in effect prior to the enactment of this Act shall not be applicable if application for a lump-sum death payment is filed prior to September [1952.] 1952, and except that in the case of any individual who died outside the forty-eight States and the District of Columbia on or after June 27, 1950, and prior to September 1950, whose death occurred while he was in the active military or naval service of the United States, and who is returned to any of such States, the District of Columbia, Alaska, Hawaii, Puerto Rico, or the Virgin Islands for interment or reinterment, the last sentence of section 202 (g) of the Social Security Act as in effect prior to the enactment of this Act shall not prevent payment to any person under the second sentence thereof if application for a lump-sum death payment under such section with respect to such deceased individual is filed by or on behalf of such person (whether or not legally competent) prior to the expiration of two years after the date of such interment or reinterment.



[Report No. 1943]

[Strike out all after the enacting clause and insert the part printed in italic]

To provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 ~~TITLE I—SHORT TITLE; STATEMENT OF POLICY;~~

4 ~~DEFINITIONS~~

5

6 SEC. 101. This Act may be cited as the “Veterans’
7 Educational Assistance Act of 1952”.

STATEMENT OF POLICY

SEC. 102. The Congress of the United States hereby declares that the veterans' education and training program created by this Act is for the purpose of providing vocational readjustment and restoring lost educational opportunities to those service men and women whose educational ambitions have been interrupted or impeded by reason of active service in the Armed Forces during a period of emergency and for the purpose of aiding such persons in attaining the educational and training status which he might normally have aspired to and obtained had he not served his country.

DEFINITIONS

SEC. 103. For the purposes of this Act—

(1) the term "basic service period" means the period beginning on June 27, 1950, and ending on such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress;

(2) the term "eligible veteran" means any person who is not in the active service in the Armed Forces and who—

(A) has served in the active service in the Armed Forces at any time during the basic service period—

(B) has been discharged or released from such

active service under conditions other than dishonorable, and

(C) has served in the active service in the Armed Forces for ninety days or more (exclusive of any period he was assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians; or as a cadet or midshipman at one of the service academies); or has been discharged or released from active service by reason of an actual service-incurred injury or disability;

(3) the term "program of education or training" means any single unit course or subject, any curriculum, or any combination of unit courses or subjects, which is generally accepted as necessary to fulfill requirements for the attainment of a predetermined and identified educational, professional, or vocational objective;

(4) the term "course" means an organized unit of subject matter in which instruction is offered within a given period of time or which covers a specific amount of related subject matter for which credit toward graduation or certification is usually given;

(5) the term "dependent" means—

1 ~~(A)~~ a child ~~(as defined in paragraph VI of~~
2 ~~Veterans Regulation Numbered 10, as amended)~~
3 ~~of an eligible veteran,~~

4 ~~(B)~~ a parent ~~(as defined in paragraph VII~~
5 ~~of Veterans Regulation Numbered 10, as amended)~~
6 ~~of an eligible veteran, if the parent is in fact depend-~~
7 ~~ent upon the veteran, and~~

8 ~~(C)~~ the wife of an eligible veteran, or, in the
9 ~~case of an eligible veteran who is a woman, her~~
10 ~~husband if he is in fact dependent upon the veteran;~~

11 ~~(6)~~ the term "educational institution" means any
12 ~~public or private elementary school, secondary school,~~
13 ~~vocational school, correspondence school, business school,~~
14 ~~junior college, teachers college, college, normal school,~~
15 ~~professional school, university, scientific or technical~~
16 ~~institution, or other institution furnishing education for~~
17 ~~adults;~~

18 ~~(7)~~ the term "training establishment" means any
19 ~~business or other establishment providing apprentice or~~
20 ~~other training on the job, including those under the~~
21 ~~supervision of a college or university or any State depart-~~
22 ~~ment of education, or any State apprenticeship agency,~~
23 ~~or any State board of vocational education, or any ap-~~
24 ~~prentice council, or the Bureau of Apprenticeship estab-~~
25 ~~lished in accordance with Public Law 308, Seventy-fifth~~

1 Congress, or any agency of the Federal Government
2 authorized to supervise such training;

3 (8) the term "Armed Forces" means the Army,
4 the Navy, the Air Force, the Marine Corps, and the
5 Coast Guard of the United States;

6 (9) the term "State" means the several States, the
7 Territories and possessions of the United States, and
8 the District of Columbia;

9 (10) the term "Administrator" means the Admin-
10 istrator of Veterans' Affairs; and

11 (11) the term "Commissioner" means the United
12 States Commissioner of Education.

13 TITLE II—ELIGIBILITY

14 ENTITLEMENT TO EDUCATION OR TRAINING

15 SEC. 201. Each eligible veteran shall, subject to the
16 provisions of sections 202 and 203, be entitled to the educa-
17 tion or training provided under this Act.

18 COMMENCEMENT; TIME LIMITATIONS

19 SEC. 202. No eligible veteran shall be entitled to initiate
20 a program of education or training under this Act after two
21 years after his discharge or release from active service or after
22 September 1, 1954, whichever is later. In the event an
23 eligible veteran returns to active service in the Armed Forces
24 during the basic service period, his date of discharge or re-
25 lease shall, for the purposes of this section and section 203,

1 be the date of his discharge or release from his last period
2 of active service which began during the basic service period.

3 EXPIRATION OF ALL EDUCATION AND TRAINING

4 SEC. 203. No education or training shall be afforded an
5 eligible veteran under this Act beyond seven years after
6 either his discharge or release from active service or the end
7 of the basic service period, whichever is earlier.

8 DURATION OF VETERAN'S EDUCATION OR TRAINING

9 SEC. 204. (a) Each eligible veteran shall be entitled
10 to education or training under this Act for a period equal
11 to one and a half times the duration of his active service in
12 the Armed Forces during the basic service period (or to
13 the equivalent thereof in part-time training); except that—

14 (1) in computing the duration of his active service
15 in the Armed Forces, there shall be excluded a period
16 equal to any period he was assigned by the Armed
17 Forces to a civilian institution for a course of education
18 or training which was substantially the same as estab-
19 lished courses offered to civilians or as a cadet or mid-
20 shipman at one of the service academies;

21 (2) the period of education or training to which an
22 eligible veteran shall be entitled under this Act shall
23 not, except as provided in subsection (b), exceed
24 thirty-six months; and

25 (3) the period of education or training to which an

1 eligible veteran shall be entitled under this Act together
2 with education or training received under part VII
3 (Public Law 16, Seventy-eighth Congress, as amended,
4 and Public Law 894, Eighty-first Congress, as
5 amended), or part VIII of Veterans Regulation Num-
6 bered 4 (a), as amended, shall not, except as provided
7 in subsection (b), exceed forty-eight months in the
8 aggregate.

9 (b) Whenever the period of entitlement to education
10 or training under this Act of an eligible veteran who is
11 enrolled in an educational institution regularly operated on
12 the quarter or semester system ends during a quarter or
13 semester and after a major part of such semester or quarter
14 has expired, such period shall be extended to the termination
15 of such unexpired quarter or semester. In all other courses
16 offered by educational institutions, whenever the period of
17 eligibility ends after a major portion of the course is com-
18 pleted such period may be extended to the end of the course
19 or for nine weeks, whichever is the lesser period.

20 (c) In the case of any eligible veteran who is pursuing
21 any program of education or training exclusively by corre-
22 spondence, one-fourth of the elapsed time in following such
23 program of education or training shall be charged against
24 the veteran's period of entitlement.

TITLE III—ENROLLMENT

SELECTION OF PROGRAM

SEC. 301. Subject to the provisions of this Act, each eligible veteran may select a program of education or training to assist him in attaining an educational, professional, or vocational objective at any educational institution or training establishment selected by him, whether or not located in the State in which he resides, which will accept and retain him as a student or trainee in any field or branch of knowledge which such institution or establishment finds him qualified to undertake or pursue.

APPLICATIONS; APPROVAL

SEC. 302. Any eligible veteran who desires to initiate a program of education or training under this Act shall submit an application to the Administrator which shall be in such form, and contain such information, as the Administrator shall prescribe. The Administrator shall approve such application unless he finds that such veteran is not eligible for or entitled to the education or training applied for or that his program of education or training fails to meet any of the requirements of this Act, or that the eligible veteran is already qualified, by reason of previous education and training, for the educational, professional, or vocational objective for which the courses of the program of education or training are offered. The Administrator shall notify the

1 eligible veteran of the approval or disapproval of his
2 application.

3 CHANGE OF PROGRAM

4 SEC. 303: (a) Subject to provisions of section 302,
5 each eligible veteran may, at any time prior to the end of the
6 period during which he is entitled to initiate a program of
7 education or training under this Act, make not more than
8 one change of program of education or training.

9 (b) Each eligible veteran, who has not made a change
10 of program of education or training before the expiration of
11 the period during which he is entitled to initiate a program
12 of education or training under this Act, may make not more
13 than one change of program of education or training with
14 the approval of the Administrator. The Administrator shall
15 approve such a change if he finds that—

16 (1) the eligible veteran is not making satisfactory
17 progress in his present program and that the failure is
18 not due to his own misconduct, his own neglect, or his
19 own lack of application, and if the program to which the
20 eligible veteran desires to change is more in keeping
21 with his aptitude or previous education and training;

22 (2) the program to which the eligible veteran
23 desires to change, while not a part of the program
24 currently pursued by him, is a normal progression
25 from such program; or

1 (3). there exist other cogent reasons for the change.

2 AVOCATIONAL AND RECREATIONAL COURSES

3 SEC. 304. (a) The Administrator shall not approve the
4 enrollment of an eligible veteran in any course which the
5 Administrator finds to be avocational or recreational in
6 character.

7 (b) The following courses shall be presumed to be avo-
8 cational or recreational: Dancing courses; photography
9 courses; bartending courses; personality-development courses;
10 entertainment courses; music courses—instrumental and
11 vocal; public speaking courses; and courses in sports and
12 athletics such as horseback riding, swimming, fishing, skiing,
13 golf, baseball, tennis, bowling, and sports officiating (except
14 applied music, physical education, or public speaking courses
15 which are offered by institutions of higher learning for credit
16 as an integral part of a program leading to an educational
17 objective); but no such course shall be considered to be
18 avocational or recreational in character if the veteran submits
19 justification that such course will contribute to bona fide use in
20 the veteran's present or contemplated business or occupation.

21 DISCONTINUANCE FOR UNSATISFACTORY PROGRESS

22 SEC. 305. The Administrator shall discontinue the pro-
23 gram of education or training of an eligible veteran if, at
24 any time, he finds that, according to the regularly pre-

1 scribed standards and practices of the educational institution
 2 or training establishment, the conduct or progress of such
 3 veteran is unsatisfactory.

4 MINIMUM NUMBER OF NONVETERAN STUDENTS REQUIRED

5 SEC. 306. The Administrator shall not approve the
 6 enrollment of any eligible veteran, not already enrolled, in
 7 any nonaccredited course below the college level offered by
 8 a proprietary profit or proprietary nonprofit educational
 9 institution for any period during which the Administrator
 10 finds that more than three-fourths of the students enrolled
 11 in the course are having all or any part of their tuition,
 12 fees, or other charges paid to or for them by the educational
 13 institution or the Veterans' Administration under part VII
 14 or part VIII of Veterans Regulation Numbered 1 (a) or
 15 this Act.

16 PERIOD OF OPERATION FOR APPROVAL

17 SEC. 307. (a) The Administrator shall not approve
 18 the enrollment of an eligible veteran in any course offered
 19 by an educational institution when such course has been in
 20 operation for less than one year.

21 (b) Subsection (a) shall not apply to—

22 (1) any course to be pursued in a public or other
 23 tax-supported educational institution;

24 (2) any course which is offered by an educational

1 institution which has been in operation for more than
2 three years, if such course is similar in character to the
3 instruction previously given by such institution; or

4 ~~(3)~~ any course which has been offered by an in-
5 stitution for a period of more than three years, notwith-
6 standing the institution has moved to another location
7 within the same general locality.

8 INSTITUTIONS LISTED BY THE ATTORNEY GENERAL

9 SEC. 308. The Administrator shall not approve the
10 enrollment of, or payment of an education and training
11 allowance to, any eligible veteran in any course in an edu-
12 cational institution or training establishment while it is listed
13 by the Attorney General under section 3 of part III of
14 Executive Order 9835, as amended.

15 TITLE IV—PAYMENTS TO VETERANS

16 EDUCATION AND TRAINING ALLOWANCE

17 SEC. 401. ~~(a)~~ The Administrator shall pay to each
18 eligible veteran who is pursuing a program of education or
19 training under this Act, and who applies therefor, an educa-
20 tion and training allowance to meet in part the expenses of
21 his subsistence, tuition, fees, supplies, books, and equipment.

22 ~~(b)~~ The education and training allowance for an eligible
23 veteran shall be paid, as provided in section 402, only for
24 the period of the veteran's enrollment as approved by the
25 Administrator, but no allowance shall be paid—

1 ~~(1)~~ to any veteran enrolled in a course approved
 2 under section 603 or a course of institutional on-farm
 3 training for any period when the veteran is not pursuing
 4 his course in accordance with the regularly established
 5 policies and regulations of the institution and the require-
 6 ments of this Act;

7 ~~(2)~~ to any veteran enrolled in a course approved
 8 under section 604 or in a course of apprentice or other
 9 training on the job for any day of absence in excess
 10 of thirty days in a twelve-month period, not counting
 11 as absences week ends or legal holidays established by
 12 Federal or State law during which the institution or
 13 establishment is not regularly in session or operation;
 14 or

15 ~~(3)~~ to any veteran pursuing his program of edu-
 16 cation exclusively by correspondence for any period
 17 during which no lessons were serviced by the institution.

18 ~~(c)~~ No education and training allowance shall be paid
 19 to an eligible veteran for any period until the Administrator
 20 shall have received—

21 ~~(1)~~ from the eligible veteran ~~(A)~~ in the case of
 22 an eligible veteran enrolled in a course approved under
 23 section 603 or a course of institutional on-farm training;
 24 a certification that he was actually enrolled in and
 25 pursuing the course as approved by the Administrator;

1 or ~~(B)~~ in the case of an eligible veteran enrolled in a
 2 course approved under section 604 or a course of ap-
 3 prentice or other training on the job; a certification
 4 as to actual attendance during such period; or ~~(C)~~ in
 5 the case of an eligible veteran enrolled in a program
 6 of education or training by correspondence; a certifica-
 7 tion as to the number of lessons actually completed by
 8 the veteran and serviced by the institution; and

9 ~~(2)~~ from the educational institution or training
 10 establishment; a certification, or endorsement on the
 11 veteran's certificate, that such veteran was enrolled in
 12 and pursuing a course of education or training during
 13 such period; and, in the case of an institution furnishing
 14 education or training to a veteran exclusively by corre-
 15 spondence; a certification, or endorsement on the vet-
 16 eran's certificate, as to the number of lessons completed
 17 by the veteran and serviced by the institution.

18 Education and training allowances shall, insofar as practi-
 19 cable, be paid within twenty days after receipt by the Ad-
 20 ministrator of the certifications required by this subsection.

21 COMPUTATION OF EDUCATION AND TRAINING

22 ALLOWANCES

23 SEC. 402. (a) The education and training allowance of
 24 an eligible veteran who is pursuing a program of education
 25 or training in an educational institution and is not entitled

1 to receive an education and training allowance under sub-
2 section ~~(b)~~, ~~(c)~~, ~~(d)~~, ~~(e)~~, or ~~(f)~~ shall be computed as
3 follows:

4 ~~(1)~~ If such program is pursued on a full-time basis,
5 such allowance shall be computed at the rate of \$110 per
6 month, if the veteran has no dependent, or at the rate
7 of \$150 per month if he has one or more dependents.

8 ~~(2)~~ If such program is pursued on a three-quarters
9 time basis, such allowance shall be computed at the rate
10 of \$80 per month, if the veteran has no dependent, or
11 at the rate of \$110 per month, if he has one or more
12 dependents.

13 ~~(3)~~ If such program is pursued on a half-time basis,
14 such allowance shall be computed at the rate of \$50
15 per month, if the veteran has no dependent, or at the
16 rate of \$70 per month, if he has one or more
17 dependents.

18 ~~(b)~~ The education and training allowance of an eligible
19 veteran who is pursuing a full-time program of education
20 and training which consists of institutional courses and on-
21 the-job training, with the on-the-job training portion of the
22 program being strictly supplemental to the institutional
23 portion, shall be computed at the rate of ~~(1)~~ \$90 per month,
24 if he has no dependent, or ~~(2)~~ \$120 per month, if he has
25 one or more dependents.

1 ~~(c)~~ The education and training allowance of an eligible
2 veteran pursuing apprentice or other training on the job
3 shall be computed at the rate of ~~(1)~~ \$70 per month, if he
4 has no dependent, or ~~(2)~~ \$95 per month, if he has one or
5 more dependents; except that his education and training
6 allowance shall be reduced at the end of each four-month
7 period as his program progresses by an amount which bears
8 the same ratio to the basic education and training allowance
9 as four months bears to the total duration of his apprentice
10 or other training on the job; but in no case shall the Admin-
11 istrator pay an education and training allowance under this
12 subsection in an amount which, when added to the compen-
13 sation to be paid to the veteran, in accordance with his ap-
14 proved training program, for productive labor performed as
15 a part of his course, would exceed the rate of ~~(1)~~ \$225
16 per month, if he has no dependent, or ~~(2)~~ \$300 per month,
17 if he has one or more dependents. For the purpose of com-
18 puting allowances under this subsection, the duration of
19 the training of an eligible veteran shall be the period speci-
20 fied in the approved application as the period during which
21 he may receive an education and training allowance for such
22 training, plus such additional period, if any, as is necessary
23 to make the number of months of such training a multiple
24 of four.

1 (d) The education and training allowance of an eligible
2 veteran pursuing institutional on-farm training shall be com-
3 puted at the rate of ~~(1)~~ \$95 per month, if he has no depend-
4 ent, or ~~(2)~~ \$120 per month, if he has one or more depend-
5 ents; except that his education and training allowance shall
6 be reduced at the end of each four-month period as his pro-
7 gram progresses by an amount which bears the same ratio
8 to \$65 per month, if the veteran has no dependent, or \$90
9 per month, if he has one or more dependents, as four months
10 bears to the total duration of such veteran's institutional
11 on-farm training. For the purpose of computing allowances
12 under this subsection, the duration of the training of an eli-
13 gible veteran shall be the period specified in the approved
14 application as the period during which he may receive an
15 education and training allowance for such training, plus
16 such additional period, if any, as is necessary to make the
17 number of such months of such training a multiple of four.

18 (e) The education and training allowance of an eligible
19 veteran pursuing a program of education or training ex-
20 clusively by correspondence shall be computed on the
21 basis of the established charge which the institution re-
22 quires nonveterans to pay for the course or courses pursued
23 by the eligible veteran. Such allowance shall be paid quar-

1 terly on a pro rata basis for the lessons completed by the
2 veteran and serviced by the institution, as certified by the
3 institution.

4 (f) The education and training allowance of an eligible
5 veteran who is pursuing a program of education or training
6 under this Act in an educational institution on a less than
7 half-time basis shall be computed at the rate of ~~(1)~~ the
8 established charges for tuition and fees which the institution
9 requires similarly circumstanced nonveterans enrolled in the
10 same course to pay, or ~~(2)~~ \$110 per month for a full-time
11 course, whichever is the lesser.

12 (g) Each eligible veteran who is pursuing an approved
13 course of flight training shall be paid an education and train-
14 ing allowance to be computed at the rate of 75 per centum
15 of the established charge which similarly circumstanced non-
16 veterans enrolled in the same flight course are required to
17 pay for tuition for the course. If such veteran's program
18 of education or training consists exclusively of flight training,
19 he shall not be paid an education and training allowance
20 under one of the preceding subsections of this section; if his
21 program of education or training consists of flight training
22 and other education or training, the allowance payable under
23 this subsection shall be in addition to any education and
24 training allowance payable to him under one of the preceding
25 subsections of this section for education or training other than

1 flight training. Such allowance shall be paid monthly upon
2 the receipt of certification from the eligible veteran and the
3 institution as to the actual flight training received by the
4 veteran. In each such case the eligible veteran's period of
5 entitlement shall be charged (in addition to any charge made
6 against his entitlement by reason of education or training
7 other than flight training) with one day for each \$1.25 which
8 is paid to the veteran as an education and training allowance
9 for such course.

10 (h) No eligible veteran shall be paid an education and
11 training allowance under this Act for any period during
12 which (1) he is enrolled in and pursuing a course of educa-
13 tion or training paid for by the United States under any
14 provision of law other than this Act, where the payment
15 of such allowance would constitute a duplication of benefits
16 paid to the veteran from the Federal Treasury, or (2) he
17 is pursuing a course of apprentice or other training on the
18 job, a course of institutional on-farm training, or a course
19 of education and training described in subsection (b), on
20 a less than full-time basis.

21 FULL-TIME COURSES

22 SEC. 403. (a) For the purposes of this Act, (1) an
23 institutional trade or technical course offered on a clock-
24 hour basis below the college level involving shop practice
25 as an integral part thereof, shall be considered a full-time

1 course when a minimum of thirty hours per week of at-
2 tendance is required with not more than two and one-half
3 hours of rest periods per week allowed, ~~(2)~~ an institutional
4 course offered on a clock-hour basis below the college level
5 in which theoretical or class room instruction predominates
6 shall be considered a full-time course when a minimum of
7 twenty-five hours per week net of instruction is required,
8 and ~~(3)~~ an institutional undergraduate course offered by a
9 college or university on a quarter or semester-hour basis
10 for which credit is granted toward a standard college degree
11 shall be considered a full-time course when a minimum of
12 fourteen semester hours or its equivalent is required.

13 ~~(b)~~ The Administrator shall define full-time training in
14 the case of all types of courses of education or training other
15 than institutional on-farm training and the types of courses
16 referred to in subsection ~~(a)~~.

17 **OVERCHARGES BY EDUCATIONAL INSTITUTIONS**

18 **SEC. 404.** The Administrator may discontinue the edu-
19 cation and training allowance of an eligible veteran enrolled
20 in an educational institution if he finds that the institution
21 has charged or received from such veteran any amount in
22 excess of the established charges for tuition and fees which
23 the institution requires similarly circumstanced nonveterans,
24 enrolled in the same course, to pay, except that, in the case
25 of a tax-supported public educational institution which does

1 not have established charges for tuition and fees which it
 2 requires nonveteran residents to pay, such institution may
 3 charge and receive from each eligible veteran who is a resident
 4 an amount equal to the established cost of teaching personnel
 5 and supplies for instruction attributable to such veteran, but
 6 in no event to exceed the rate of \$31 per month for a full time
 7 course.

8 TITLE V—STATE APPROVING AGENCIES

9 DESIGNATION

10 SEC. 501. (a) The chief executive of each State is re-
 11 quested to create or designate a State department or agency
 12 as the "State approving agency" for his State for the pur-
 13 poses of this Act.

14 (b) (1) In the event the chief executive of any State
 15 fails or declines to create or designate a State approving
 16 agency, the provisions of this Act which refer to the State
 17 approving agency shall, with respect to such State, be
 18 deemed to refer to the Commissioner.

19 (2) In the case of courses subject to approval by the
 20 Commissioner under section 502, the provisions of this Act
 21 which refer to a State approving agency shall be deemed to
 22 refer to the Commissioner.

23 APPROVAL OF COURSES

24 SEC. 502. (a) An eligible veteran shall receive the
 25 benefits of this Act while enrolled in a course of education

1 or training offered by an educational institution or training
2 establishment only if such course is approved by the State
3 approving agency for the State where such educational insti-
4 tution or training establishment is situated or by the Com-
5 missioner. Approval of courses by State approving agencies
6 shall be in accordance with the provisions of this Act and
7 such other regulations and policies as the State approving
8 agency may adopt. Each State approving agency shall
9 furnish the Administrator with a current list of educational
10 institutions and training establishments, specifying courses
11 which it has approved, and, in addition to such list, it shall
12 furnish such other information to the Administrator as it
13 and the Administrator may determine to be necessary to
14 carry out the purposes of this Act. Each State approving
15 agency shall notify the Administrator of the disapproval of
16 any course previously approved and shall set forth the reasons
17 for such disapproval.

18 (b) The Commissioner shall be responsible for the ap-
19 proval of courses of education or training offered—

20 (1) by educational institutions not situated in a
21 State; or

22 (2) by any agency of the Federal Government
23 authorized under other laws to supervise such education
24 or training.

1 The Commissioner may approve any course in any other
2 educational institution or training establishment in accord-
3 ance with the provisions of this Act.

4 COOPERATION

5 SEC. 503. (a) The Administrator and each State ap-
6 proving agency shall take cognizance of the fact that definite
7 duties, functions, and responsibilities are conferred upon the
8 Administrator and each State approving agency under the
9 veterans' educational programs. To assure that such pro-
10 grams are effectively and efficiently administered, the co-
11 operation of the Administrator and the State approving
12 agencies is essential. It is necessary to establish an ex-
13 change of information pertaining to activities of educational
14 institutions and training establishments, and particular at-
15 tention should be given to the enforcement of approval
16 standards, enforcement of wage and income limitations,
17 enforcement of enrollment restrictions, and fraudulent and
18 other criminal activities on the part of persons connected
19 with educational institutions and training establishments in
20 which veterans are enrolled under this Act.

21 (b) The Administrator will furnish the State approving
22 agencies with copies of such Veterans' Administration in-
23 formational material as may aid them in carrying out this
24 Act.

~~USE OF OFFICE OF EDUCATION AND OTHER FEDERAL~~

~~AGENCIES~~

3 SEC. 504. (a) In carrying out his functions under this
4 Act, the Administrator may utilize the facilities and services
5 of any other Federal department or agency and may dele-
6 gate the performance of any of his functions to any officer
7 or employee of any such Federal department or agency.
8 The Administrator shall utilize the services of the Office of
9 Education in developing cooperative agreements between the
10 Administrator and State and local agencies relating to the
11 approval and supervision of courses of education or training
12 as provided for in section 505, in reviewing the plan of opera-
13 tions of State and local agencies under such arrangements,
14 and in rendering technical assistance to such State and local
15 agencies in developing and improving policies, standards, and
16 legislation in connection with their duties under this Act.

17 (b) Any such utilization or delegation shall be pur-
18 suant to proper agreement with the Federal department or
19 agency concerned; and payment to cover the cost thereof
20 shall (except in the case of the Office of Education) be made
21 either in advance or by way of reimbursement, as may be
22 provided in such agreement. Funds necessary to enable
23 the Office of Education to carry out its functions under this
24 Act are authorized to be appropriated directly to such Office.

REIMBURSEMENT OF EXPENSES

SEC. 505. The Administrator is authorized to enter into contracts or agreements with State and local agencies to pay such State and local agencies for reasonable and necessary expenses of salary and travel incurred by employees of such agencies in (1) rendering necessary services in ascertaining the qualifications of educational institutions and training establishments for furnishing courses of education or training to eligible veterans under this Act, and in the supervision of such educational institutions and training establishments, and (2) furnishing, at the request of the Administrator, any other services in connection with this Act. Each such contract or agreement shall be conditioned upon compliance with the standards and provisions of this Act.

TITLE VI—APPROVAL OF COURSES OF EDUCATION AND TRAINING

APPRENTICE OR OTHER TRAINING ON THE JOB

SEC. 601. (a) Apprentice or other training on the job shall consist of courses offered by training establishments whenever such courses of training are furnished in accordance with the provisions of this section. Any training establishment desiring to furnish a course of apprentice or other training on the job shall submit to the appropriate State approving agency a written application setting forth the

1 course of training for each job for which an eligible veteran
2 is to be trained. The written application covering the course
3 of training shall include the following:

4 (1) Title and description of the specific job objec-
5 tive for which the eligible veteran is to be trained;

6 (2) The length of the training period;

7 (3) A schedule listing various operations for major
8 kinds of work or tasks to be learned and showing for
9 each, job operations or work, tasks to be performed,
10 and the approximate length of time to be spent on each
11 operation or task;

12 (4) The wage or salary to be paid at the beginning
13 of the course of training, at each successive step in the
14 course, and at the completion of training;

15 (5) The entrance wage or salary paid by the estab-
16 lishment to employees already trained in the kind of
17 work for which the veteran is to be trained; and

18 (6) The number of hours of supplemental related
19 instruction required.

20 (b) The appropriate State approving agency may ap-
21 prove a course of apprentice or other training on the job
22 specified in an application submitted by a training establish-
23 ment in accordance with subsection (a) if such training
24 establishment is found upon investigation to have met the
25 following criteria:

1 (1) The training content of the course is adequate
2 to qualify the eligible veteran for appointment to the
3 job for which he is to be trained.

4 (2) There is reasonable certainty that the job for
5 which the eligible veteran is to be trained will be avail-
6 able to him at the end of the training period.

7 (3) The job is one in which progression and ap-
8 pointment to the next higher classification are based
9 upon skills learned through organized training on the
10 job and not on such factors as length of service and
11 normal turn-over.

12 (4) The wages to be paid the eligible veteran for
13 each successive period of training are not less than those
14 customarily paid in the training establishment and in the
15 community to a learner in the same job who is not
16 a veteran.

17 (5) The job customarily requires a period of train-
18 ing of not less than three months and not more than two
19 years of full-time training, except that this provision
20 shall not apply to apprentice training.

21 (6) The length of the training period is no longer
22 than that customarily required by the training establish-
23 ment and other training establishments in the community
24 to provide an eligible veteran with the required skills,
25 arrange for the acquiring of job knowledge, technical

1 information, and other facts which the eligible veteran
2 will need to learn in order to become competent on the
3 job for which he is being trained.

4 (7) Provision is made for related instruction for the
5 individual eligible veteran who may need it.

6 (8) There is in the training establishment adequate
7 space, equipment, instructional material, and instructor
8 personnel to provide satisfactory training on the job.

9 (9) Adequate records are kept to show the progress
10 made by each eligible veteran toward his job objective.

11 (10) Appropriate credit is given the eligible vet-
12 eran for previous training and job experience, whether in
13 the military service or elsewhere, his beginning wage ad-
14 justed to the level to which such credit advances him and
15 his training period shortened accordingly and provision is
16 made for certification by the training establishment that
17 such credit has been granted and the beginning wage ad-
18 justed accordingly. No course of training will be con-
19 sidered bona fide if given to an eligible veteran who is
20 already qualified by training and experience for the job
21 objective.

22 (11) A signed copy of the training agreement for
23 each eligible veteran, including the training program
24 and wage scale as approved by the State approving

agency, is provided to the veteran and to the Administrator and the State approving agency by the employer.

(12) Upon completion of the course of training furnished by the training establishment the eligible veteran is given a certificate by the employer indicating the length and type of training provided and that the eligible veteran has completed the course of training on the job satisfactorily.

(13) That the course meets such other criteria as may be established by the State approving agency.

INSTITUTIONAL ON-FARM TRAINING

SEC. 602: (a) An eligible veteran shall be entitled to an education and training allowance under section 402 (d) while enrolled in a course of full-time institutional on-farm training which has been approved by the appropriate State approving agency in accordance with the provisions of this section.

(b) The State approving agency may approve a course of institutional on-farm training when it satisfies the following requirements:

(1) The course combines organized group instruction in agricultural and related subjects of at least two hundred hours per year (and of at least eight hours each month) at an educational institution, with super-

1 vised work experience on a farm or other agricultural
2 establishment.

3 (2) The eligible veteran will perform a part of
4 such course on a farm or other agricultural establish-
5 ment under his control.

6 (3) The course is developed with due consideration
7 to the size and character of the farm or other agri-
8 cultural establishment on which the eligible veteran will
9 receive his supervised work experience and to the need
10 of such eligible veteran, in the type of farming for which
11 he is training, for proficiency in planning, producing,
12 marketing, farm mechanics, conservation of resources,
13 food conservation, farm financing, farming management,
14 and the keeping of farm and home accounts.

15 (4) The eligible veteran will receive not less than
16 one hundred hours of individual instruction per year, not
17 less than fifty hours of which shall be on such farm or
18 other agricultural establishment (with at least two visits
19 by the instructor to such farm each month). Such indi-
20 vidual instruction shall be given by the instructor re-
21 sponsible for the veteran's institutional instruction and
22 shall include instruction and home-study assignments in
23 the preparation of budgets, inventories, and statements
24 showing the production, use on the farm, and sale of
25 crops, livestock, and livestock products.

1 ~~(5)~~ The eligible veteran will be assured of con-
2 trol of such farm or other agricultural establishment
3 ~~(whether by ownership, lease, management agreement,~~
4 ~~or other tenure arrangement)~~ until the completion of his
5 course.

6 ~~(6)~~ Such farm or other agricultural establishment
7 shall be of a size and character which ~~(A)~~ will, together
8 with the group instruction part of the course, occupy
9 the full time of the eligible veteran, ~~(B)~~ will permit
10 instruction in all aspects of the management of the farm
11 or other agricultural establishment of the type for which
12 the eligible veteran is being trained, and will provide
13 the eligible veteran an opportunity to apply to the opera-
14 tion of his farm or other agricultural establishment the
15 major portion of the farm practices taught in the group-
16 instruction part of the course, and ~~(C)~~ will assure him
17 a satisfactory income for a reasonable living under
18 normal conditions at least by the end of his course.

19 ~~(7)~~ Provision shall be made for certification by the
20 institution and the veteran that the training offered does
21 not repeat or duplicate training previously received by
22 the veteran.

23 ~~(8)~~ The institutional on-farm training meets such
24 other criteria as may be established by the State approv-
25 ing agency.

1 APPROVAL OF ACCREDITED COURSES

2 SEC. 603. (a) A State approving agency may approve
3 the courses offered by an educational institution when—

4 ~~(1)~~ such courses have been accredited and approved
5 by a nationally recognized accrediting agency or asso-
6 ciation;

7 ~~(2)~~ credit for such courses is approved by the State
8 department of education for credit toward a high school
9 diploma;

10 ~~(3)~~ such courses are conducted under the Act of
11 February 23, 1917, as amended (39 Stat. 927), or the
12 Vocational Education Act of 1946; or

13 ~~(4)~~ such courses are accepted by the State depart-
14 ment of education for credit for a teacher's certificate or
15 a teacher's degree.

16 For the purposes of this Act the Commissioner shall publish
17 a list of nationally recognized accrediting agencies and asso-
18 ciations which he determines to be reliable authority as to
19 the quality of training offered by an educational institution
20 and the State approving agencies may, upon concurrence,
21 utilize the accreditation of such accrediting associations or
22 agencies for approval of the courses specifically accredited
23 and approved by such accrediting association or agency. In
24 making application for approval, the institution shall transmit

1 to the State approving agency copies of its current catalog
2 or bulletin.

3 (b) As a condition to approval under this section, the
4 State approving agency must find that adequate records are
5 kept by the educational institution to show the progress of
6 each eligible veteran. The State approving agency must
7 also find that the educational institution maintains a written
8 record of the previous education and training of the veteran
9 and clearly indicates that appropriate credit has been given
10 by the institution for previous education and training, with
11 the training period shortened proportionately and the veteran
12 and the Administrator so notified.

13 APPROVAL OF NONACCREDITED COURSES

14 SEC. 604. (a) No course of education or training
15 (other than a course of institutional on-farm training)
16 which has not been approved by a State approving agency
17 pursuant to section 603, which is offered by a public or
18 private, profit or nonprofit, educational institution shall
19 be approved for the purposes of this Act unless the educa-
20 tional institution offering such course submits to the appro-
21 priate State approving agency a written application for
22 approval of such course in accordance with the provisions
23 of this Act.

1 ~~(b)~~ Such application shall be accompanied by not less
2 than two copies of the current catalog or bulletin which is
3 certified as true and correct in content and policy by an
4 authorized owner or official and includes the following:

5 ~~(1)~~ Identifying data, such as volume number and
6 date of publication;

7 ~~(2)~~ Names of the institution and its governing
8 body, officials and faculty;

9 ~~(3)~~ A calendar of the institution showing legal holi-
10 days, beginning and ending date of each quarter, term
11 or semester, and other important dates;

12 ~~(4)~~ Institution policy and regulations on enroll-
13 ment with respect to enrollment dates and specific en-
14 trance requirements for each course;

15 ~~(5)~~ Institution policy and regulations relative to
16 leave, absences, class cuts, make-up work, tardiness and
17 interruptions for unsatisfactory attendance;

18 ~~(6)~~ Institution policy and regulations relative to
19 standards or progress required of the student by the
20 institution (this policy will define the grading system
21 of the institution, the minimum grades considered satis-
22 factory, conditions for interruption for unsatisfactory
23 grades or progress and a description of the probationary
24 period, if any, allowed by the institution, and conditions

1 of reentrance for those students dismissed for unsatis-
2 factory progress. A statement will be made regarding
3 progress records kept by the institution and furnished
4 the student);

5 (7) Institution policy and regulations relating to
6 student conduct and conditions for dismissal for unsatis-
7 factory conduct;

8 (8) Detailed schedule of fees, charges for tuition,
9 books, supplies, tools, student activities, laboratory fees,
10 service charges, rentals, deposits, and all other charges;

11 (9) Policy and regulations of the institution relative
12 to the refund of the unused portion of tuition, fees, and
13 other charges in the event the student does not enter
14 the course or withdraws or is discontinued therefrom;

15 (10) A description of the available space, facilities,
16 and equipment;

17 (11) A course outline for each course for which ap-
18 proval is requested, showing subjects or units in the
19 course, type of work or skill to be learned, and approx-
20 imate time and clock hours to be spent on each subject
21 or unit; and

22 (12) Policy and regulations of the institution rela-
23 tive to granting credit for previous educational training.

24 (c) The appropriate State approving agency may ap-

1 prove the application of such institution when the institution
2 and its nonaccredited courses are found upon investigation
3 to have met the following criteria:

4 (1) The courses, curriculum, and instruction are
5 consistent in quality, content, and length with similar
6 courses in public schools and other private schools in the
7 State, with recognized accepted standards.

8 (2) There is in the institution adequate space,
9 equipment, instructional material, and instructor per-
10 sonnel to provide training of good quality.

11 (3) Educational and experience qualifications of
12 directors, administrators, and instructors are adequate.

13 (4) The institution maintains a written record of
14 the previous education and training of the veteran and
15 clearly indicates that appropriate credit has been given
16 by the institution for previous education and training,
17 with the training period shortened proportionately and
18 the veteran and the Administrator so notified.

19 (5) A copy of the course outline, schedule of
20 tuition fees and other charges, regulations pertaining to
21 absences, grading policy, and rules of operation and
22 conduct will be furnished the veteran upon enrollment.

23 (6) Upon completion of training, the veteran is

1 given a certificate by the institution indicating the ap-
2 proved course and indicating that training was satis-
3 factorily completed.

4 (7) Adequate records as prescribed by the State
5 approving agency are kept to show attendance and
6 progress or grades, and satisfactory standards relating
7 to attendance, progress, and conduct are enforced.

8 (8) The institution complies with all local, city,
9 county, municipal, State, and Federal regulations, such
10 as fire codes, building and sanitation codes. The State
11 approving agency may require such evidence of com-
12 pliance as is deemed necessary.

13 (9) The institution is financially sound and capable
14 of fulfilling its commitments for training.

15 (10) The institution does not utilize advertising of
16 any type which is erroneous or misleading, either by
17 actual statement, omission, or intimation. The institu-
18 tion shall not be deemed to have met with this require-
19 ment until the State approving agency (1) has ascer-
20 tained from the Federal Trade Commission whether the
21 Commission has issued an order to the institution to
22 cease and desist from any act or practice, and (2) has

1 if such an order has been issued, given due weight to
2 that fact.

3 (11) The institution does not exceed its enrollment
4 limitations as established by the State approving agency.

5 (12) The institution's administrators, directors,
6 owners and instructors are of good reputation and
7 character.

8 (13) The institution has and maintains a policy for
9 the refund of the unused portion of tuition, fees, and
10 other charges in the event the student fails to enter the
11 course or withdraws or is discontinued therefrom at any
12 time prior to completion and such policy must pro-
13 vide that the amount charged to the student for
14 tuition, fees, and other charges for a portion of the course
15 shall not exceed the approximate pro rata portion of the
16 total charges for tuition, fees, and other charges that the
17 length of the completed portion of the course bears to
18 its total length.

19 (14) Such additional criteria as may be deemed
20 necessary by the State approving agency.

21 NOTICE OF APPROVAL OF COURSES

22 SEC. 605. The State approving agency, upon determin-
23 ing that an educational institution has complied with all the

1 requirements of this Act, will issue a letter to such institution
2 setting forth the courses which have been approved for the
3 purposes of this Act, and will furnish an official copy of such
4 letter and any subsequent amendments to the Administrator.
5 The letter of approval shall be accompanied by a copy of the
6 catalog or bulletin of the institution, as approved by the State
7 approving agency, and shall contain the following infor-
8 mation:

9 (1) Date of letter and effective date of approval
10 of courses;

11 (2) Proper address and name of the educational
12 institution and identifying each location or separate
13 annex;

14 (3) Authority for approval and conditions of ap-
15 proval, referring specifically to the approved catalog
16 or bulletin published by the educational institution;

17 (4) Name of each course approved;

18 (5) Where applicable, enrollment limitations such
19 as maximum numbers authorized and student-teacher
20 ratio;

21 (6) Signature of responsible official of State ap-
22 proving agency; and

1 ~~(7)~~ Such other provisions as are considered neces-
2 sary by the appropriate State approving agency.

3 DISAPPROVAL OF COURSES AND DISCONTINUANCE OF
4 ALLOWANCE

5 SEC. 606. (a) Any course approved for the purposes
6 of this Act which fails to meet any of the requirements
7 of this Act shall be immediately disapproved by the appro-
8 priate State approving agency. An educational institution
9 or training establishment which has its courses disapproved
10 by a State approving agency will be notified of such dis-
11 approval by a registered letter of notification and a return
12 receipt secured.

13 (b) The Administrator may discontinue the educa-
14 tion and training allowance of any eligible veteran if he
15 finds that the course of education or training in which such
16 veteran is enrolled fails to meet any of the requirements of
17 this Act.

18 (c) Each State approving agency shall notify the Ad-
19 ministrator of each course which it has disapproved under
20 this section. The Administrator shall notify the State ap-
21 proving agency of his disapproval of any educational institu-
22 tion or training establishment under part VII of Veterans
23 Regulation Numbered 1 (a), as amended.

1 TITLE VII—MISCELLANEOUS PROVISIONS

2 AUTHORITY AND DUTIES OF ADMINISTRATOR

3 SEC. 701. (a) The Administrator is authorized to pre-
4 scribe, promulgate, and publish such rules and regulations
5 as are consistent with the provisions of this Act and neces-
6 sary to carry out its purposes. The provisions of section
7 11 of the Act of October 17, 1940, as amended (54 Stat.
8 1193), shall not apply in the case of determinations and
9 decisions of the Administrator with respect to payments
10 authorized by this Act.

11 (b) The Administrator is authorized to accept uncom-
12 pensated services and to enter into contracts or agreements
13 with private or public agencies, or persons, for necessary
14 services, including personal services, as he may deem
15 practicable.

16 (c) The Administrator may arrange for educational
17 and vocational guidance to persons eligible for educa-
18 tion and training under this Act and, if the Administrator
19 requires such educational and vocational guidance, he is au-
20 thorized, in his discretion, to defray, or reimburse the veteran
21 for, his traveling expenses to and from the place of advise-
22 ment. At such intervals as he deems necessary, he shall
23 make available information respecting the need for general

1 education and for trained personnel in the various crafts,
2 trades, and professions: *Provided*, That facilities of other
3 Federal agencies collecting such information shall be utilized
4 to the extent he deems practicable.

5 CONTROL BY AGENCIES OF UNITED STATES

6 SEC. 702. No department, agency, or officer of the
7 United States, in carrying out this Act, shall exercise any
8 supervision or control, whatsoever, over any State approv-
9 ing agency, State educational agency, or State apprentice-
10 ship agency, or any educational institution or training es-
11 tablishment: *Provided*, That nothing in this section shall
12 be deemed to prevent any department, agency, or officer of
13 the United States from exercising any supervision or con-
14 trol which such department, agency, or officer is author-
15 ized, by existing provisions of law, to exercise over any Fed-
16 eral educational institution or training establishment, or to
17 prevent the furnishing of education or training under this
18 Act in any institution or establishment over which super-
19 vision or control is exercised by such other department,
20 agency, or officer under authority of existing provisions of
21 law.

22 CONFLICTING INTERESTS

23 SEC. 703. (a) Every officer or employee of the Vet-
24 erns' Administration or of the Office of Education, who has,

1 while such an officer or employee, owned any interest in, or
2 received any wages, salary, dividends, profits, gratuities, or
3 services from, any educational institution operated for profit
4 in which an eligible veteran was pursuing a course of educa-
5 tion or training under this Act shall be immediately dismissed
6 from his office or employment.

7 (b) If the Administrator finds that any person who is
8 an officer or employee of a State approving agency has,
9 while he was such an officer or employee, owned any interest
10 in, or received any wages, salary, dividends, profits, gratui-
11 ties, or services from, an educational institution operated for
12 profit in which an eligible veteran was pursuing a course
13 of education or training under this Act he shall discontinue
14 making payments under section 505 to such State approving
15 agency unless such agency shall, without delay, take such
16 steps as may be necessary to terminate the employment of
17 such person and such payments shall not be resumed while
18 such person is an officer or employee of the State approving
19 agency.

20 (c) A State approving agency shall not approve any
21 course offered by an educational institution operated for
22 profit and, if any such course has been approved, shall disap-
23 prove each such course, if it finds that any officer or employee
24 of the Veterans' Administration, the Office of Education, or

1 the State approving agency owns an interest in, or receives
2 any wages, salary, dividends, profits, gratuities, or services
3 from, such institution.

4 (d) The Administrator may waive the application of
5 this section in the case of any officer or employee of the
6 Veterans' Administration of the Office of Education, or of a
7 State approving agency if he finds that no detriment will
8 result to the United States or to eligible veterans by reason
9 of such connection.

10 REPORTS BY INSTITUTIONS

11 SEC. 704. Educational institutions and training estab-
12 lishments shall, without delay, report to the Administrator
13 in the form prescribed by him, the enrollment, interruption,
14 and termination of the education or training of each eligible
15 veteran enrolled therein under this Act.

16 OVERPAYMENTS TO VETERANS

17 SEC. 705. In any case where it is found by the Ad-
18 ministrator that an overpayment has been made to a veteran
19 as the result of (1) the willful or negligent failure of the
20 educational institution or training establishment to report,
21 as required by this Act and applicable regulations, to the
22 Veterans' Administration excessive absences from a course,
23 or discontinuance or interruption of a course by the veteran
24 or (2) false certification by the educational institution or

1 training establishment, the amount of such overpayment
2 shall constitute a liability of such institution or establish-
3 ment, and may be recovered in the same manner as any
4 other debt due the United States: *Provided*, That any
5 amount so collected shall be reimbursed if the overpayment
6 is recovered from the veteran. This provision shall not
7 preclude the imposition of any civil or criminal action under
8 this or any other statute.

9 EXAMINATION OF RECORDS

10 SEC. 706. The records and accounts of educational in-
11 stitutions and training establishments pertaining to eligible
12 veterans who received education or training under this Act
13 shall be available for examination by duly authorized repre-
14 sentatives of the Government.

15 FALSE OR MISLEADING STATEMENTS

16 SEC. 707. The Administrator shall not make any pay-
17 ments under this Act to any person found by him to have will-
18 fully submitted any false or misleading claims. In each case
19 where the Administrator finds that an educational institution
20 or training establishment has willfully submitted a false or
21 misleading claim, or where a veteran, with the complicity
22 of an educational institution or training establishment, as
23 submitted such a claim, he shall make a complete report of the
24 facts of the case to the appropriate State approving agency.

CRIMINAL PENALTIES AND FORFEITURES

SEC. 708. Whoever knowingly and willfully—

(1) makes or presents any false, fictitious, or fraudulent affidavit, declaration, certificate, voucher, endorsement, or paper or writing purporting to be such, concerning any claim for payment under this Act, or pertaining to any matter arising under this Act,

(2) makes or presents any paper required under this Act which paper bears a date subsequent to that upon which it was actually signed or acknowledged by the claimant,

(3) certifies falsely that the declarant, affiant, or witness named in such affidavit, declaration, voucher, endorsement, or other paper or writing personally appeared before him and was sworn thereto, or acknowledged the execution thereof, or

(4) accepts and converts to his own use payments for any period during which he was not actually pursuing a course of education or training under this Act for which period payment was made,

shall forfeit all rights, claims, and benefits under this Act and under Public Law 2, Seventy-third Congress, as amended, and upon conviction, shall be fined not more than \$1,000 or imprisoned not more than one year, or both. Any person not subject to the forfeiture provisions of this section who

1 violates this section shall be fined not more than \$10,000 or
2 imprisoned not more than five years, or both.

3 APPLICATION OF OTHER LAWS

4 SEC. 708. The provisions of Public Law Numbered 262,
5 Seventy-fourth Congress, approved August 12, 1935 (49
6 Stat. 607), as amended, and the provisions of titles II and III
7 of Public Law Numbered 844, Seventy-fourth Congress,
8 approved June 29, 1936, as amended, shall be for application
9 under this Act.

10 WAIVER OF RECOVERY OF OVERPAYMENTS

11 SEC. 709. There shall be no recovery of payments of
12 education and training allowance made under this Act from
13 any person who, in the judgment of the Administrator, is
14 without fault on his part and where, in the judgment of the
15 Administrator, such recovery would defeat the purpose of
16 benefits otherwise authorized or would be against equity and
17 good conscience. No disbursing officer or certifying officer
18 shall be held liable for any amount paid to any person where
19 the recovery of such amount is waived under this section.

20 INFORMATION FURNISHED BY FEDERAL TRADE

21 COMMISSION

22 SEC. 710. The Federal Trade Commission shall keep all
23 State approving agencies advised of any information coming
24 to its attention which would be of assistance to such agencies
25 in carrying out their duties under this Act.

EFFECTIVE DATE

SEC. 711. This Act shall take effect on the date of its enactment, except that no education and training allowance shall be paid for any period prior to September 1, 1952.

TITLE I—SHORT TITLE AND STATEMENT OF

POLICY

SHORT TITLE

SEC. 101. This Act may be cited as the “Veterans’ Readjustment Assistance Act of 1952”.

STATEMENT OF POLICY

SEC. 102. The Congress of the United States hereby declares that the veterans' education and training program created by this Act is for the purpose of providing vocational readjustment and restoring lost educational opportunities to those service men and women whose educational or vocational ambitions have been interrupted or impeded by reason of active service in the Armed Forces during a period of national emergency and for the purpose of aiding such persons in attaining the educational and training status which they might normally have aspired to and obtained had they not served their country; and that the home, farm, and business-loan benefits, the old-age and survivors insurance credits, the mustering out payments, and the employment assistance provided for by this Act are for the purpose of

1 assisting in the readjustment of such persons from military
2 to civilian life.

3 *TITLE II—EDUCATIONAL AND VOCATIONAL*
4 *ASSISTANCE*

5 *PART I—DEFINITIONS*

6 *SEC. 201. For the purposes of this title—*

7 (1) the term “basic service period” means the period
8 beginning on June 27, 1950, and ending on such date as
9 shall be determined by Presidential proclamation or concur-
10 rent resolution of the Congress;

11 (2) the term “eligible veteran” means any person
12 who is not in the active service in the Armed Forces and
13 who—

14 (A) has served in the active service in the Armed
15 Forces at any time during the basic service period,

16 (B) has been discharged or released from such active
17 service under conditions other than dishonorable, and

18 (C) has served in the active service in the Armed
19 Forces for ninety days or more (exclusive of any period
20 he was assigned by the Armed Forces to a civilian
21 institution for a course of education or training which
22 was substantially the same as established courses offered
23 to civilians, or as a cadet or midshipman at one of the

1 *service academies), or has been discharged or released*
2 *from active service by reason of an actual service-in-*
3 *curred injury or disability;*

4 (3) *the term “program of education or training” means*
5 *any single unit course or subject, any curriculum, or any*
6 *combination of unit courses or subjects, which is generally*
7 *accepted as necessary to fulfill requirements for the attain-*
8 *ment of a predetermined and identified educational, profes-*
9 *sional, or vocational objective;*

10 (4) *the term “course” means an organized unit of sub-*
11 *ject matter in which instruction is offered within a given*
12 *period of time or which covers a specific amount of re-*
13 *lated subject matter for which credit toward graduation or*
14 *certification is usually given;*

15 (5) *the term “dependent” means—*

16 (A) *a child (as defined in paragraph VI of Vet-*
17 *erans Regulation Numbered 10, as amended) of an*
18 *eligible veteran,*

19 (B) *a parent (as defined in paragraph VII of Vet-*
20 *erans Regulation Numbered 10, as amended) of an*
21 *eligible veteran, if the parent is in fact dependent upon*
22 *the veteran, and*

23 (C) *the wife of an eligible veteran, or, in the case*
24 *of an eligible veteran who is a woman, her husband if*
25 *he is in fact dependent upon the veteran;*

26 (6) *the term “educational institution” means any pub-*

1 *lic or private elementary school, secondary school, vocational*
2 *school, correspondence school, business school, junior college,*
3 *teachers college, college, normal school, professional school,*
4 *university, scientific or technical institution, or other institu-*
5 *tion furnishing education for adults;*

6 (7) *the term "training establishment" means any busi-*
7 *ness or other establishment providing apprentice or other*
8 *training on the job, including those under the supervision*
9 *of a college or university or any State department of edu-*
10 *cation, or any State apprenticeship agency, or any State*
11 *board of vocational education, or any apprentice council, or*
12 *the Bureau of Apprenticeship established in accordance with*
13 *Public Law 308, Seventy-fifth Congress, or any agency*
14 *of the Federal Government authorized to supervise such*
15 *training;*

16 (8) *the term "Armed Forces" means the Army, the*
17 *Navy, the Air Force, the Marine Corps, and the Coast Guard*
18 *of the United States;*

19 (9) *the term "State" means the several States, the*
20 *Territories and possessions of the United States, and the*
21 *District of Columbia;*

22 (10) *the term "Administrator" means the Adminis-*
23 *trator of Veterans' Affairs; and*

24 (11) *the term "Commissioner" means the United States*
25 *Commissioner of Education.*

1 *PART II—ELIGIBILITY*

2 *ENTITLEMENT TO EDUCATION OR TRAINING GENERALLY*

3 *SEC. 211. Each eligible veteran shall, subject to the*
4 *provisions of this title, be entitled to the education or train-*
5 *ing provided under this title.*

6 *COMMENCEMENT; TIME LIMITATIONS*

7 *SEC. 212. (a) No eligible veteran shall be entitled to*
8 *initiate a program of education or training under this title*
9 *after September 1, 1954, or after two years after his dis-*
10 *charge or release from active service, whichever is later.*

11 *(b) The program of education and training of an eligible*
12 *veteran under this title shall, on and after the delimiting date*
13 *for the veteran to initiate his program, be pursued continu-*
14 *ously until completion except that an eligible veteran may*
15 *suspend the pursuit of his program for periods of not more*
16 *than 12 consecutive months, and may suspend the pursuit*
17 *of such program for longer periods if the Administrator finds*
18 *that the suspension for each such period was due to condi-*
19 *tions beyond the control of the eligible veteran.*

20 *(c) In the event an eligible veteran returns to active*
21 *service in the Armed Forces during the basic service period,*
22 *his date of discharge or release shall, for the purposes of*
23 *this section and section 213, be the date of his discharge or*
24 *release from his last period of active service which began*
25 *during the basic service period.*

1 *EXPIRATION OF ALL EDUCATION AND TRAINING*

2 *SEC. 213. No education or training shall be afforded an*
3 *eligible veteran under this title beyond seven years after*
4 *either his discharge or release from active service or the end*
5 *of the basic service period, whichever is earlier.*

6 *DURATION OF VETERAN'S EDUCATION OR TRAINING*

7 *SEC. 214. (a) Each eligible veteran shall be entitled*
8 *to education or training under this title for a period equal*
9 *to one and a half times the duration of his active service in*
10 *the Armed Forces during the basic service period (or to*
11 *the equivalent thereof in part-time training), except that—*

12 *(1) in computing the duration of his active service*
13 *in the Armed Forces, there shall be excluded a period*
14 *equal to any period he was assigned by the Armed*
15 *Forces to a civilian institution for a course of education*
16 *or training which was substantially the same as estab-*
17 *lished courses offered to civilians or as a cadet or mid-*
18 *shipman at one of the service academies;*

19 *(2) the period of education or training to which an*
20 *eligible veteran shall be entitled under this title shall*
21 *not, except as provided in subsection (b), exceed*
22 *thirty-six months; and*

23 *(3) the period of education or training to which an*
24 *eligible veteran shall be entitled under this title together*
25 *with education or training received under part VII*

1 *(Public Law 16, Seventy-eighth Congress, as amended,*
2 *and Public Law 894, Eighty-first Congress, as*
3 *amended), or part VIII of Veterans Regulation Num-*
4 *bered 1 (a), as amended, shall not, except as provided*
5 *in subsection (b), exceed forty-eight months in the*
6 *aggregate.*

7 *(b) Whenever the period of entitlement to education*
8 *or training under this title of an eligible veteran who is*
9 *enrolled in an educational institution regularly operated on*
10 *the quarter or semester system ends during a quarter or*
11 *semester and after a major part of such semester or quarter*
12 *has expired, such period shall be extended to the termination*
13 *of such unexpired quarter or semester. In all other courses*
14 *offered by educational institutions, whenever the period of*
15 *eligibility ends after a major portion of the course is com-*
16 *pleted such period may be extended to the end of the course*
17 *or for nine weeks, whichever is the lesser period.*

18 *(c) In the case of any eligible veteran who is pursuing*
19 *any program of education or training exclusively by cor-*
20 *respondence, one-fourth of the elapsed time in following such*
21 *program of education or training shall be charged against*
22 *the veteran's period of entitlement,*

PART III—ENROLLMENT

SELECTION OF PROGRAM

SEC. 221. Subject to the provisions of this title, each eligible veteran may select a program of education or training to assist him in attaining an educational, professional, or vocational objective at any educational institution or training establishment selected by him, whether or not located in the State in which he resides, which will accept and retain him as a student or trainee in any field or branch of knowledge which such institution or establishment finds him qualified to undertake or pursue. In no event, however, may an eligible veteran pursue a program of education or training under this title at an educational institution or training establishment which is not located in a State, except that the Administrator may approve the pursuit of a program of education or training in the Republic of the Philippines at an approved educational institution or training establishment.

APPLICATIONS; APPROVAL

SEC. 222. Any eligible veteran who desires to initiate a program of education or training under this title shall submit an application to the Administrator which shall be in such form, and contain such information, as the Adminis-

1 trator shall prescribe. The Administrator shall approve such
 2 application unless he finds that such veteran is not eligible
 3 for or entitled to the education or training applied for or
 4 that his program of education or training fails to meet
 5 any of the requirements of this title, or that the eligible vet-
 6 eran is already qualified, by reason of previous education
 7 and training, for the educational, professional, or vocational
 8 objective for which the courses of the program of education
 9 or training are offered. The Administrator shall notify the
 10 eligible veteran of the approval or disapproval of his ap-
 11 plication.

12 CHANGE OF PROGRAM

13 SEC. 223. (a) Subject to the provisions of section 222,
 14 each eligible veteran may, at any time prior to the end of
 15 the period during which he is entitled to initiate a program
 16 of education or training under this title, make not more than
 17 one change of program of education or training.

18 (b) Each eligible veteran, who has not made a change
 19 of program of education or training before the expiration of
 20 the period during which he is entitled to initiate a program
 21 of education or training under this title, may make not more
 22 than one change of program of education or training with
 23 the approval of the Administrator. The Administrator shall
 24 approve such a change if he finds that—

25 (1) the eligible veteran is not making satisfactory

1 progress in his present program and that the failure is
2 not due to his own misconduct, his own neglect, or his
3 own lack of application, and if the program to which the
4 eligible veteran desires to change is more in keeping
5 with his aptitude or previous education and training; or

6 (2) the program to which the eligible veteran
7 desires to change, while not a part of the program
8 currently pursued by him, is a normal progression
9 from such program.

10 AVOCATIONAL AND RECREATIONAL COURSES

11 SEC. 224. (a) The Administrator shall not approve
12 the enrollment of an eligible veteran in any bartending course,
13 dancing course, or personality development course.

14 (b) The Administrator shall not approve the enrollment
15 of an eligible veteran—

16 (1) in any photography course, entertainment
17 course, or any flight training course pursued as a hobby
18 or which the Administrator finds to be avocational or
19 recreational in character, or

20 (2) in any music course—instrumental or vocal—
21 public speaking course, or course in sports or athletics
22 such as horseback riding, swimming, fishing, skiing, golf,
23 baseball, tennis, bowling, sports officiating, or other sport
24 or athletic courses, except courses of applied music,
25 physical education, or public speaking which are offered

1 *by institutions of higher learning for credit as an integral*
2 *part of a program leading to an educational objective,*
3 *or*

4 *(3) in any other type of course which the Ad-*
5 *ministrator finds to be avocational or recreational in*
6 *character;*

7 *unless the eligible veteran submits justification showing that*
8 *the course will be of bona fide use in the pursuit of his present*
9 *or contemplated business or occupation.*

10 *DISCONTINUANCE FOR UNSATISFACTORY PROGRESS*

11 *SEC. 225. The Administrator shall discontinue the edu-*
12 *cation and training allowance of an eligible veteran if, at*
13 *any time, he finds that, according to the regularly prescribed*
14 *standards and practices of the educational institution or*
15 *training establishment, the conduct or progress of such veteran*
16 *is unsatisfactory.*

17 *MINIMUM NUMBER OF NONVETERAN STUDENTS REQUIRED*

18 *SEC. 226. The Administrator shall not approve the*
19 *enrollment of any eligible veteran, not already enrolled, in*
20 *any nonaccredited course below the college level offered by*
21 *a proprietary profit or proprietary nonprofit educational*
22 *institution for any period during which the Administrator*
23 *finds that more than three-fourths of the students enrolled*
24 *in the course are having all or any part of their tuition,*

1 fees, or other charges paid to or for them by the educational
 2 institution or the Veterans' Administration under part VII
 3 or part VIII of Veterans Regulation Numbered 1 (a) or
 4 this title.

5 PERIOD OF OPERATION FOR APPROVAL

6 SEC. 227. (a) The Administrator shall not approve the
 7 enrollment of an eligible veteran in any course offered by
 8 an educational institution when such course has been in
 9 operation for less than two years.

10 (b) Subsection (a) shall not apply to—

11 (1) any course to be pursued in a public or other
 12 tax-supported educational institution;

13 (2) any course which is offered by an educational
 14 institution which has been in operation for more than
 15 two years, if such course is similar in character to the
 16 instruction previously given by such institution; or

17 (3) any course which has been offered by an in-
 18 stitution for a period of more than two years, notwith-
 19 standing the institution has moved to another location
 20 within the same general locality.

21 INSTITUTIONS LISTED BY ATTORNEY GENERAL

22 SEC. 228. The Administrator shall not approve the
 23 enrollment of, or payment of an education and training
 24 allowance to, any eligible veteran in any course in an edu-

1 *cational institution or training establishment while it is listed*
2 *by the Attorney General under section 3 of part III of Execu-*
3 *tive Order 9835, as amended.*

4 *PART IV—PAYMENTS TO VETERANS*

5 *EDUCATION AND TRAINING ALLOWANCE*

6 *SEC. 231. (a) The Administrator shall pay to each*
7 *eligible veteran who is pursuing a program of education or*
8 *training under this title, and who applies therefor, an educa-*
9 *tion and training allowance to meet in part the expenses of*
10 *his subsistence, tuition, fees, supplies, books, and equipment.*

11 *(b) The education and training allowance for an eligible*
12 *veteran shall be paid, as provided in section 232, only for*
13 *the period of the veteran's enrollment as approved by the*
14 *Administrator, but no allowance shall be paid—*

15 *(1) to any veteran enrolled in a course approved*
16 *under section 253 or a course of institutional on-farm*
17 *training for any period when the veteran is not pursuing*
18 *his course in accordance with the regularly established*
19 *policies and regulations of the institution and the require-*
20 *ments of this title,*

21 *(2) to any veteran enrolled in a course approved*
22 *under section 254 or in a course of apprentice or other*
23 *training on the job for any day of absence in excess*
24 *of thirty days in a twelve-month period, not counting*
25 *as absences weekends or legal holidays established by*

1 *Federal or State law during which the institution or*
2 *establishment is not regularly in session or operation,*
3 *or*

4 *(3) to any veteran pursuing his program of edu-*
5 *cation exclusively by correspondence for any period*
6 *during which no lessons were serviced by the institution.*

7 *(c) No education and training allowance shall be paid*
8 *to an eligible veteran for any period until the Administrator*
9 *shall have received—*

10 *(1) from the eligible veteran (A) in the case of*
11 *an eligible veteran enrolled in a course approved under*
12 *section 253 or a course of institutional on-farm training,*
13 *a certification that he was actually enrolled in and*
14 *pursuing the course as approved by the Administrator,*
15 *or (B) in the case of an eligible veteran enrolled in a*
16 *course approved under section 254 or a course of ap-*
17 *prentice or other training on the job, a certification*
18 *as to actual attendance during such period, or (C) in*
19 *the case of an eligible veteran enrolled in a program*
20 *of education or training by correspondence, a certification*
21 *as to the number of lessons actually completed by the*
22 *veteran and serviced by the institution, and*

23 *(2) from the educational institution or training*
24 *establishment, a certification, or an endorsement on the*
25 *veteran's certificate, that such veteran was enrolled*

1 *in and pursuing a course of education or training during*
2 *such period, and, in the case of an institution furnishing*
3 *education or training to a veteran exclusively by corre-*
4 *spondence, a certification, or an endorsement on the vet-*
5 *eran's certificate, as to the number of lessons completed by*
6 *the veteran and serviced by the institution.*

7 *Education and training allowances shall, insofar as practi-*
8 *cable, be paid within twenty days after receipt by the*
9 *Administrator of the certifications required by this sub-*
10 *section.*

11 *COMPUTATION OF EDUCATION AND TRAINING ALLOWANCES*

12 *SEC. 232. (a) The education and training allowance of*
13 *an eligible veteran who is pursuing a program of education*
14 *or training in an educational institution and is not entitled*
15 *to receive an education and training allowance under sub-*
16 *section (b), (c), (d), (e), or (f) shall be computed as*
17 *follows:*

18 *(1) If such program is pursued on a full-time basis,*
19 *such allowance shall be computed at the rate of \$110 per*
20 *month, if the veteran has no dependent, or at the rate*
21 *of \$150 per month, if he has one or more dependents.*

22 *(2) If such program is pursued on a three-quarters*
23 *time basis, such allowance shall be computed at the rate*
24 *of \$80 per month, if the veteran has no dependent, or*

1 at the rate of \$110 per month, if he has one or more
2 dependents.

3 (3) If such program is pursued on a half-time basis,
4 such allowance shall be computed at the rate of \$50
5 per month, if the veteran has no dependent, or at the
6 rate of \$70 per month, if he has one or more
7 dependents.

8 (b) The education and training allowance of an eligible
9 veteran who is pursuing a full-time program of education
10 and training which consists of institutional courses and on-
11 the-job training, with the on-the-job training portion of the
12 program being strictly supplemental to the institutional
13 portion, shall be computed at the rate of, (1) \$90 per month,
14 if he has no dependent, or (2) \$120 per month, if he has
15 one or more dependents.

16 (c) The education and training allowance of an eligible
17 veteran pursuing apprentice or other training on the job
18 shall be computed at the rate of (1) \$70 per month, if he
19 has no dependent, or (2) \$95 per month, if he has one or
20 more dependents; except that his education and training
21 allowance shall be reduced at the end of each four-month
22 period as his program progresses by an amount which bears
23 the same ratio to the basic education and training allowance
24 as four months bears to the total duration of his apprentice

1 or other training on the job; but in no case shall the Admin-
2 istrator pay an education and training allowance under this
3 subsection in an amount which, when added to the compen-
4 sation to be paid to the veteran, in accordance with his ap-
5 proved training program, for productive labor performed as
6 a part of his course, would exceed the rate of (1) \$225
7 per month, if he has no dependent, or (2) \$300 per month,
8 if he has one or more dependents. For the purpose of com-
9 puting allowances under this subsection, the duration of
10 the training of an eligible veteran shall be the period speci-
11 fied in the approved application as the period during which
12 he may receive an education and training allowance for such
13 training, plus such additional period, if any, as is necessary
14 to make the number of months of such training a multiple
15 of four.

16 (d) The education and training allowance of an eligible
17 veteran pursuing institutional on-farm training shall be com-
18 puted at the rate of (1) \$95 per month, if he has no depend-
19 ent, or (2) \$120 per month, if he has one or more depend-
20 ents; except that his education and training allowance shall
21 be reduced at the end of each four-month period as his pro-
22 gram progresses by an amount which bears the same ratio
23 to \$65 per month, if the veteran has no dependent, or \$90
24 per month, if he has one or more dependents, as four months
25 bears to the total duration of such veteran's institutional

1 on-farm training. For the purpose of computing allowances
2 under this subsection, the duration of the training of an eli-
3 gible veteran shall be the period specified in the approved
4 application as the period during which he may receive an
5 education and training allowance for such training, plus
6 such additional period, if any, as is necessary to make the
7 number of such months of such training a multiple of four.

8 (e) The education and training allowance of an eligible
9 veteran pursuing a program of education or training ex-
10 clusively by correspondence shall be computed on the
11 basis of the established charge which the institution re-
12 quires nonveterans to pay for the course or courses pursued
13 by the eligible veteran. Such allowance shall be paid quar-
14 terly on a pro rata basis for the lessons completed by the
15 veteran and serviced by the institution, as certified by the
16 institution.

17 (f) The education and training allowance of an eligible
18 veteran who is pursuing a program of education or training
19 under this title in an educational institution on a less-than-
20 half-time basis shall be computed at the rate of (1) the
21 established charges for tuition and fees which the institution
22 requires similarly circumstanced nonveterans enrolled in the
23 same course to pay, or (2) \$110 per month for a full-time
24 course, whichever is the lesser.

1 (g) *Each eligible veteran who is pursuing an approved*
2 *course of flight training shall be paid an education and*
3 *training allowance to be computed at the rate of 75 per*
4 *centum of the established charge which similarly circum-*
5 *stanced nonveterans enrolled in the same flight course are*
6 *required to pay for tuition for the course. If such veteran's*
7 *program of education or training consists exclusively of flight*
8 *training, he shall not be paid an education and training allow-*
9 *ance under one of the preceding subsections of this section;*
10 *if his program of education or training consists of flight*
11 *training and other education or training, the allowance pay-*
12 *able under this subsection shall be in addition to any educa-*
13 *tion and training allowance payable to him under one of the*
14 *preceding subsections of this section for education or training*
15 *other than flight training. Such allowance shall be paid*
16 *monthly upon receipt of certification from the eligible veteran*
17 *and the institution as to the actual flight training received by*
18 *the veteran. In each such case the eligible veteran's period*
19 *of entitlement shall be charged (in addition to any charge*
20 *made against his entitlement by reason of education or train-*
21 *ing other than flight training) with one day for each \$1.25*
22 *which is paid to the veteran as an education and training*
23 *allowance for such course.*

24 (h) *No eligible veteran shall be paid an education and*

1 training allowance under this title for any period during
2 which (1) he is enrolled in and pursuing a course of educa-
3 tion or training paid for by the United States under any
4 provision of law other than this title, where the payment of
5 such allowance would constitute a duplication of benefits paid
6 to the veteran from the Federal Treasury, or (2) he is pursu-
7 ing a course of apprentice or other training on the job, a
8 course of institutional on-farm training, or a course of educa-
9 tion and training described in subsection (b), on a less than
10 full-time basis.

11 FULL-TIME COURSES

12 SEC. 233. (a) For the purposes of this title, (1) an
13 institutional trade or technical course offered on a clock-hour
14 basis below the college level involving shop practice as an
15 integral part thereof, shall be considered a full-time course
16 when a minimum of thirty hours per week of attendance
17 is required with not more than two and one-half hours of
18 rest periods per week allowed, (2) an institutional course
19 offered on a clock-hour basis below the college level in which
20 theoretical or class room instruction predominates shall be
21 considered a full-time course when a minimum of twenty-five
22 hours per week net of instruction is required, and (3) an
23 institutional undergraduate course offered by a college or
24 university on a quarter or semester-hour basis for which

1 credit is granted toward a standard college degree shall be
2 considered a full-time course when a minimum of fourteen
3 semester hours or its equivalent is required.

4 (b) The Administrator shall define full-time training in
5 the case of all types of courses of education or training other
6 than institutional on-farm training and the types of courses
7 referred to in subsection (a).

8 OVERCHARGES BY EDUCATIONAL INSTITUTIONS

9 SEC. 234. The Administrator shall if he finds that an in-
10 stitution has charged or received from any eligible veteran any
11 amount in excess of the established charges for tuition and
12 fees which the institution requires similarly circumstanced
13 nonveterans enrolled in the same course to pay, disap-
14 prove such educational institution for the enrollment of any
15 veteran not already enrolled therein, except that, in the case
16 of a tax-supported public educational institution which does
17 not have established charges for tuition and fees which it
18 requires nonveteran residents to pay, such institution may
19 charge and receive from each eligible veteran who is a resident
20 an amount equal to the estimated cost of teaching personnel
21 and supplies for instruction attributable to such veteran, but
22 in no event to exceed the rate of \$31 per month for a full-time
23 course.

PART V—STATE APPROVING AGENCIES

DESIGNATION

SEC. 241. (a) The chief executive of each State is requested to create or designate a State department or agency as the "State approving agency" for his State for the purposes of this title.

(b) (1) In the event the chief executive of any State fails or declines to create or designate a State approving agency, the provisions of this title which refer to the State approving agency shall, with respect to such State, be deemed to refer to the Commissioner.

(2) In the case of courses subject to approval by the Commissioner under section 242, the provisions of this title which refer to a State approving agency shall be deemed to refer to the Commissioner.

APPROVAL OF COURSES

SEC. 242. (a) An eligible veteran shall receive the benefits of this title while enrolled in a course of education or training offered by an educational institution or training establishment only if such course is approved by the State approving agency for the State where such educational institution or training establishment is situated or by the Commissioner. Approval of courses by State approving

1 agencies shall be in accordance with the provisions of this
2 title and such other regulations and policies as the
3 State approving agency may adopt. Each State ap-
4 proving agency shall furnish the Administrator with a current
5 list of educational institutions and training establishments,
6 specifying courses which it has approved, and, in addition
7 to such list, it shall furnish such other information to the
8 Administrator as it and the Administrator may determine
9 to be necessary to carry out the purposes of this title. Each
10 State approving agency shall notify the Administrator of
11 the disapproval of any course previously approved and shall
12 set forth the reasons for such disapproval.

13 (b) The Commissioner shall be responsible for the ap-
14 proval of courses of education or training offered by any
15 agency of the Federal Government authorized under other
16 laws to supervise such education or training. The Commis-
17 sioner may approve any course in any other educational
18 institution or training establishment in accordance with the
19 provisions of this title.

20

COOPERATION

21 SEC. 243. (a) The Administrator and each State ap-
22 proving agency shall take cognizance of the fact that definite
23 duties, functions, and responsibilities are conferred upon the
24 Administrator and each State approving agency under the

1 veterans' educational programs. To assure that such pro-
2 grams are effectively and efficiently administered, the co-
3 operation of the Administrator and the State approving
4 agencies is essential. It is necessary to establish an ex-
5 change of information pertaining to activities of educational
6 institutions and training establishments, and particular at-
7 tention should be given to the enforcement of approval
8 standards, enforcement of wage and income limitations,
9 enforcement of enrollment restrictions, and fraudulent and
10 other criminal activities on the part of persons connected
11 with educational institutions and training establishments in
12 which veterans are enrolled under this title.

13 (b) The Administrator will furnish the State approving
14 agencies with copies of such Veterans' Administration in-
15 formational material as may aid them in carrying out this
16 title.

17 USE OF OFFICE OF EDUCATION AND OTHER FEDERAL
18 AGENCIES

19 SEC. 244. (a) In carrying out his functions under this
20 title, the Administrator may utilize the facilities and serv-
21 ices of any other Federal department or agency. The
22 Administrator shall utilize the services of the Office of
23 Education in developing cooperative agreements between the
24 Administrator and State and local agencies relating to the

1 approval of courses of education or training as provided for
 2 in section 245, in reviewing the plan of operations of State
 3 approving agencies under such agreements, and in render-
 4 ing technical assistance to such State and local agencies in
 5 developing and improving policies, standards, and legislation
 6 in connection with their duties under this title.

7 (b) Any such utilization shall be pursuant to proper
 8 agreement with the Federal department or agency concerned;
 9 and payment to cover the cost thereof shall (except in the
 10 case of the Office of Education) be made either in advance
 11 or by way of reimbursement, as may be provided in such
 12 agreement. Funds necessary to enable the Office of Educa-
 13 tion to carry out its functions under this title are authorized
 14 to be appropriated directly to such Office.

15 REIMBURSEMENT OF EXPENSES

16 SEC. 245. The Administrator is authorized to enter
 17 into contracts or agreements with State and local agencies
 18 to pay such State and local agencies for reasonable and
 19 necessary expenses of salary and travel incurred by
 20 employees of such agencies in (1) rendering necessary
 21 services in ascertaining the qualifications of educational
 22 institutions and training establishments for furnishing courses
 23 of education or training to eligible veterans under this title,
 24 and in the supervision of such educational institutions and

1 training establishments, and (2) furnishing, at the request
 2 of the Administrator, any other services in connection with
 3 this title. Each such contract or agreement shall be condi-
 4 tioned upon compliance with the standards and provisions of
 5 this title.

6 PART VI—APPROVAL OF COURSES OF EDUCATION AND 7 TRAINING

8 APPRENTICE OR OTHER TRAINING ON THE JOB

9 SEC. 251. (a) Apprentice or other training on the job
 10 shall consist of courses offered by training establishments
 11 whenever such courses of training are furnished in accord-
 12 ance with the provisions of this section. Any training estab-
 13 lishment desiring to furnish a course of apprentice or other
 14 training on the job shall submit to the appropriate State
 15 approving agency a written application setting forth the
 16 course of training for each job for which an eligible veteran
 17 is to be trained. The written application covering the course
 18 of training shall include the following:

19 (1) Title and description of the specific job objec-
 20 tive for which the eligible veteran is to be trained;

21 (2) The length of the training period;

22 (3) A schedule listing various operations for major
 23 kinds of work or tasks to be learned and showing for
 24 each, job operations or work, tasks to be performed,

1 *and the approximate length of time to be spent on each*
2 *operation or task;*

3 (4) *The wage or salary to be paid at the beginning*
4 *of the course of training, at each successive step in the*
5 *course, and at the completion of training;*

6 (5) *The entrance wage or salary paid by the estab-*
7 *lishment to employees already trained in the kind of*
8 *work for which the veteran is to be trained; and*

9 (6) *The number of hours of supplemental related*
10 *instruction required.*

11 (b) *The appropriate State approving agency may ap-*
12 *prove a course of apprentice or other training on the job*
13 *specified in an application submitted by a training establish-*
14 *ment in accordance with subsection (a) if such training*
15 *establishment is found upon investigation to have met the*
16 *following criteria:*

17 (1) *The training content of the course is adequate*
18 *to qualify the eligible veteran for appointment to the*
19 *job for which he is to be trained.*

20 (2) *There is reasonable certainty that the job for*
21 *which the eligible veteran is to be trained will be avail-*
22 *able to him at the end of the training period.*

23 (3) *The job is one in which progression and ap-*

1 *pointment to the next higher classification are based*
2 *upon skills learned through organized training on the*
3 *job and not on such factors as length of service and*
4 *normal turn-over.*

5 *(4) The wages to be paid the eligible veteran for*
6 *each successive period of training are not less than those*
7 *customarily paid in the training establishment and in the*
8 *community to a learner in the same job who is not*
9 *a veteran.*

10 *(5) The job customarily requires a period of train-*
11 *ing of not less than three months and not more than two*
12 *years of full-time training, except that this provision*
13 *shall not apply to apprentice training.*

14 *(6) The length of the training period is no longer*
15 *than that customarily required by the training establish-*
16 *ment and other training establishments in the community*
17 *to provide an eligible veteran with the required skills,*
18 *arrange for the acquiring of job knowledge, technical*
19 *information, and other facts which the eligible veteran*
20 *will need to learn in order to become competent on the*
21 *job for which he is being trained.*

22 *(7) Provision is made for related instruction for the*
23 *individual eligible veteran who may need it.*

1 (8) *There is in the training establishment adequate*
2 *space, equipment, instructional material, and instructor*
3 *personnel to provide satisfactory training on the job.*

4 (9) *Adequate records are kept to show the progress*
5 *made by each eligible veteran toward his job objective.*

6 (10) *Appropriate credit is given the eligible vet-*
7 *eran for previous training and job experience, whether in*
8 *the military service or elsewhere, his beginning wage ad-*
9 *justed to the level to which such credit advances him and*
10 *his training period shortened accordingly and provision is*
11 *made for certification by the training establishment that*
12 *such credit has been granted and the beginning wage ad-*
13 *justed accordingly. No course of training will be con-*
14 *sidered bona fide if given to an eligible veteran who is*
15 *already qualified by training and experience for the job*
16 *objective.*

17 (11) *A signed copy of the training agreement for*
18 *each eligible veteran, including the training program*
19 *and wage scale as approved by the State approving*
20 *agency, is provided to the veteran and to the Adminis-*
21 *trator and the State approving agency by the employer.*

22 (12) *Upon completion of the course of training*
23 *furnished by the training establishment the eligible vet-*
24 *eran is given a certificate by the employer indicating*
25 *the length and type of training provided and that the*

1 *eligible veteran has completed the course of training on*
 2 *the job satisfactorily.*

3 *(13) That the course meets such other criteria as*
 4 *may be established by the State approving agency.*

5 INSTITUTIONAL ON-FARM TRAINING

6 *SEC. 252. (a) An eligible veteran shall be entitled to*
 7 *the benefits of this title while enrolled in a course of full-time*
 8 *institutional on-farm training which has been approved by the*
 9 *appropriate State approving agency in accordance with the*
 10 *provisions of this section.*

11 *(b) The State approving agency may approve a course*
 12 *of institutional on-farm training when it satisfies the follow-*
 13 *ing requirements:*

14 *(1) The course combines organized group instruc-*
 15 *tion in agricultural and related subjects of at least two*
 16 *hundred hours per year (and of at least eight hours*
 17 *each month) at an educational institution, with super-*
 18 *vised work experience on a farm or other agricultural*
 19 *establishment.*

20 *(2) The eligible veteran will perform a part of*
 21 *such course on a farm or other agricultural establish-*
 22 *ment under his control.*

23 *(3) The course is developed with due consideration*
 24 *to the size and character of the farm or other agri-*
 25 *cultural establishment on which the eligible veteran will*

1 *receive his supervised work experience and to the need*
2 *of such eligible veteran, in the type of farming for which*
3 *he is training, for proficiency in planning, producing,*
4 *marketing, farm mechanics, conservation of resources,*
5 *food conservation, farm financing, farming manage-*
6 *ment, and the keeping of farm and home accounts.*

7 *(4) The eligible veteran will receive not less than*
8 *one hundred hours of individual instruction per year, not*
9 *less than fifty hours of which shall be on such farm or*
10 *other agricultural establishment (with at least two visits*
11 *by the instructor to such farm each month). Such indi-*
12 *vidual instruction shall be given by the instructor re-*
13 *sponsible for the veteran's institutional instruction and*
14 *shall include instruction and home-study assignments in*
15 *the preparation of budgets, inventories, and statements*
16 *showing the production, use on the farm, and sale of*
17 *crops, livestock, and livestock products.*

18 *(5) The eligible veteran will be assured of con-*
19 *trol of such farm or other agricultural establishment*
20 *(whether by ownership, lease, management agreement,*
21 *or other tenure arrangement) until the completion of his*
22 *course.*

23 *(6) Such farm or other agricultural establishment*
24 *shall be of a size and character which (A) will, to-*

gether with the group-instruction part of the course, occupy the full time of the eligible veteran, (B) will permit instruction in all aspects of the management of the farm or other agricultural establishment of the type for which the eligible veteran is being trained, and will provide the eligible veteran an opportunity to apply to the operation of his farm or other agricultural establishment the major portion of the farm practices taught in the group instruction part of the course, and (C) will assure him a satisfactory income for a reasonable living under normal conditions at least by the end of his course.

(7) Provision shall be made for certification by the institution and the veteran that the training offered does not repeat or duplicate training previously received by the veteran.

(8) The institutional on-farm training meets such other fair and reasonable standards as may be established by the State approving agency.

APPROVAL OF ACCREDITED COURSES

SEC. 253. (a) A State approving agency may approve the courses offered by an educational institution when—

(1) such courses have been accredited and approved by a nationally recognized accrediting agency or association;

1 (2) credit for such course is approved by the State
2 department of education for credit toward a high school
3 diploma;

4 (3) such courses are conducted under the Act of
5 February 23, 1917, as amended (39 Stat. 927), or the
6 Vocational Education Act of 1946; or

7 (4) such courses are accepted by the State depart-
8 ment of education for credit for a teacher's certificate or
9 a teacher's degree.

10 For the purposes of this title the Commissioner shall publish
11 a list of nationally recognized accrediting agencies and asso-
12 ciations which he determines to be reliable authority as to
13 the quality of training offered by an educational institution
14 and the State approving agencies may, upon concurrence,
15 utilize the accreditation of such accrediting associations or
16 agencies for approval of the courses specifically accredited
17 and approved by such accrediting association or agency.
18 In making application for approval, the institution shall
19 transmit to the State approving agency copies of its catalog
20 or bulletin.

21 (b) As a condition to approval under this section, the
22 State approving agency must find that adequate records are
23 kept by the educational institution to show the progress of
24 each eligible veteran. The State approving agency must
25 also find that the educational institution maintains a written

1 *record of the previous education and training of the veteran*
2 *and clearly indicates that appropriate credit has been given*
3 *by the institution for previous education and training, with*
4 *the training period shortened proportionately and the veteran*
5 *and the Administrator so notified.*

6 *APPROVAL OF NONACCREDITED COURSES*

7 *SEC. 254. (a) No course of education or training*
8 *(other than a course of institutional on-farm training) which*
9 *has not been approved by a State approving agency pursuant*
10 *to section 253, which is offered by a public or private, profit*
11 *or nonprofit, educational institution shall be approved for the*
12 *purposes of this title unless the educational institution offering*
13 *such course submits to the appropriate State approving*
14 *agency a written application for approval of such course in*
15 *accordance with the provisions of this title.*

16 *(b) Such application shall be accompanied by not less*
17 *than two copies of the current catalog or bulletin which is*
18 *certified as true and correct in content and policy by an*
19 *authorized owner or official and includes the following:*

20 *(1) Identifying data, such as volume number and*
21 *date of publication;*

22 *(2) Names of the institution and its governing*
23 *body, officials and faculty;*

24 *(3) A calendar of the institution showing legal holi-*

1 *days, beginning and ending date of each quarter, term,*
2 *or semester, and other important dates;*

3 (4) *Institution policy and regulations on enroll-*
4 *ment with respect to enrollment dates and specific en-*
5 *trance requirements for each course;*

6 (5) *Institution policy and regulations relative to*
7 *leave, absences, class cuts, make-up work, tardiness and*
8 *interruptions for unsatisfactory attendance;*

9 (6) *Institution policy and regulations relative to*
10 *standards or progress required of the student by the*
11 *institution (this policy will define the grading system*
12 *of the institution, the minimum grades considered satis-*
13 *factory, conditions for interruption for unsatisfactory*
14 *grades or progress and a description of the probationary*
15 *period, if any, allowed by the institution, and conditions*
16 *of reentrance for those students dismissed for unsatis-*
17 *factory progress. A statement will be made regarding*
18 *progress records kept by the institution and furnished*
19 *the student);*

20 (7) *Institution policy and regulations relating to*
21 *student conduct and conditions for dismissal for unsatis-*
22 *factory conduct;*

23 (8) *Detailed schedule of fees, charges for tuition,*

books, supplies, tools, student activities, laboratory fees, service charges, rentals, deposits, and all other charges;

(9) Policy and regulations of the institution relative to the refund of the unused portion of tuition, fees, and other charges in the event the student does not enter the course or withdraws or is discontinued therefrom;

(10) A description of the available space, facilities, and equipment;

(11) A course outline for each course for which approval is requested, showing subjects or units in the course, type of work or skill to be learned, and approximate time and clock hours to be spent on each subject or unit; and

(12) Policy and regulations of the institution relative to granting credit for previous educational training.

(c) The appropriate State approving agency may approve the application of such institution when the institution and its nonaccredited courses are found upon investigation to have met the following criteria:

(1) The courses, curriculum, and instruction are consistent in quality, content, and length with similar courses in public schools and other private schools in the State, with recognized accepted standards.

1 (2) *There is in the institution adequate space,*
2 *equipment, instructional material, and instructor per-*
3 *sonnel to provide training of good quality.*

4 (3) *Educational and experience qualifications of*
5 *directors, administrators, and instructors are adequate.*

6 (4) *The institution maintains a written record of*
7 *the previous education and training of the veteran and*
8 *clearly indicates that appropriate credit has been given*
9 *by the institution for previous education and training,*
10 *with the training period shortened proportionately and*
11 *the veteran and the Administrator so notified.*

12 (5) *A copy of the course outline, schedule of*
13 *tuition, fees, and other charges, regulations pertaining to*
14 *absences, grading policy, and rules of operation and*
15 *conduct will be furnished the veteran upon enrollment.*

16 (6) *Upon completion of training, the veteran is*
17 *given a certificate by the institution indicating the ap-*
18 *proved course and indicating that training was satis-*
19 *factorily completed.*

20 (7) *Adequate records as prescribed by the State*
21 *approving agency are kept to show attendance and*
22 *progress or grades, and satisfactory standards relating*
23 *to attendance, progress, and conduct are enforced.*

24 (8) *The institution complies with all local, city,*
25 *county, municipal, State, and Federal regulations, such*

1 as fire codes, building and sanitation codes. The State
2 approving agency may require such evidence of com-
3 pliance as is deemed necessary.

4 (9) The institution is financially sound and capable
5 of fulfilling its commitments for training.

6 (10) The institution does not utilize advertising of
7 any type which is erroneous or misleading, either by
8 actual statement, omission, or intimation. The institu-
9 tion shall not be deemed to have met this requirement
10 until the State approving agency (1) has ascertained
11 from the Federal Trade Commission whether the Com-
12 mission has issued an order to the institution to cease
13 and desist from any act or practice, and (2) has,
14 if such an order has been issued, given due weight to
15 that fact.

16 (11) The institution does not exceed its enrollment
17 limitations as established by the State approving agency.

18 (12) The institution's administrators, directors,
19 owners, and instructors are of good reputation and
20 character.

21 (13) The institution has and maintains a policy for
22 the refund of the unused portion of tuition, fees, and
23 other charges in the event the student fails to enter the
24 course or withdraws or is discontinued therefrom at any
25 time prior to completion and such policy must pro-

vide that the amount charged to the student for tuition, fees, and other charges for a portion of the course shall not exceed the approximate pro rata portion of the total charges for tuition, fees, and other charges that the length of the completed portion of the course bears to its total length.

(14) Such additional criteria as may be deemed necessary by the State approving agency.

NOTICE OF APPROVAL OF COURSES

SEC. 255. The State approving agency, upon determining that an educational institution has complied with all the requirements of this title, will issue a letter to such institution setting forth the courses which have been approved for the purposes of this title, and will furnish an official copy of such letter and any subsequent amendments to the Administrator. The letter of approval shall be accompanied by a copy of the catalog or bulletin of the institution, as approved by the State approving agency, and shall contain the following information:

(1) date of letter and effective date of approval of courses;

(2) proper address and name of each educational institution or training establishment;

(3) authority for approval and conditions of ap-

proval, referring specifically to the approved catalog or bulletin published by the educational institution;

(4) name of each course approved;

(5) where applicable, enrollment limitations such as maximum numbers authorized and student-teacher ratio;

(6) signature of responsible official of State approving agency; and

(7) such other fair and reasonable provisions as are considered necessary by the appropriate State approving agency.

DISAPPROVAL OF COURSES AND DISCONTINUANCE OF ALLOWANCES

SEC. 256. (a) Any course approved for the purposes of this title which fails to meet any of the requirements of this title shall be immediately disapproved by the appropriate State approving agency. An educational institution or training establishment which has its courses disapproved by a State approving agency will be notified of such disapproval by a registered letter of notification and a return receipt secured.

(b) The Administrator may discontinue the education and training allowance of any eligible veteran if he finds that the course of education or training in which such

1 veteran is enrolled fails to meet any of the requirements of
2 this title or if he finds that the educational institution or
3 training establishment offering such course has violated any
4 provision of this title or fails to meet any of its requirements.

5 (c) Each State approving agency shall notify the Ad-
6 ministrator of each course which it has disapproved under
7 this section. The Administrator shall notify the State ap-
8 proving agency of his disapproval of any educational institu-
9 tion or training establishment under part VII of Veterans
10 Regulation Numbered 1 (a), as amended.

11 *PART VII—MISCELLANEOUS PROVISIONS*

12 *AUTHORITY AND DUTIES OF ADMINISTRATOR*

13 *SEC. 261. (a) The Administrator is authorized to pre-*
14 *scribe, promulgate, and publish such rules and regulations*
15 *as are consistent with the provisions of this title and neces-*
16 *sary to carry out its purposes. Notwithstanding the pro-*
17 *visions of section 11 of the Act of October 17, 1940, as*
18 *amended (54 Stat. 1193), payments under this title shall*
19 *be subject to audit and review by the General Accounting*
20 *Office as provided by the Budget and Accounting Act of*
21 *1921, as amended, and the Budget and Accounting Pro-*
22 *cedures Act of 1950.*

23 (b) The Administrator is authorized to accept uncom-
24 pensated services and to enter into contracts or agreements

1 with private or public agencies, or persons, for necessary
2 services, incident to the administration of this title, includ-
3 ing personal services, as he may deem practicable.

4 (c) The Administrator may arrange for educational
5 and vocational guidance to persons eligible for educa-
6 tion and training under this title and, if the Administrator
7 requires such educational and vocational guidance, he is au-
8 thorized, in his discretion, to defray, or reimburse the veteran
9 for his traveling expenses to and from the place of advise-
10 ment. At such intervals as he deems necessary, he shall
11 make available information respecting the need for general
12 education and for trained personnel in the various crafts,
13 trades, and professions: Provided, That facilities of other
14 Federal agencies collecting such information shall be utilized
15 to the extent he deems practicable.

16 ADVISORY COMMITTEE

17 SEC. 262. The Administrator shall form an advisory
18 committee which shall be composed of persons who are emi-
19 nent in the field of education and are representative of the
20 various types of institutions and establishments furnishing
21 education and training to veterans enrolled under this title.
22 The Commissioner shall be an *ex officio* member of the
23 advisory committee. The Administrator shall advise and
24 consult with the committee from time to time with respect

1 to the administration of this title and the committee may
2 make such reports and recommendations as it deems desirable
3 to the Administrator and to the Congress.

4 CONTROL BY AGENCIES OF UNITED STATES

5 SEC. 263. No department, agency, or officer of the
6 United States, in carrying out this title, shall exercise any
7 supervision or control, whatsoever, over any State approv-
8 ing agency, State educational agency, or State apprentice-
9 ship agency, or any educational institution or training es-
10 tablishment: Provided, That nothing in this section shall
11 be deemed to prevent any department, agency, or officer of
12 the United States from exercising any supervision or con-
13 trol which such department, agency, or officer is author-
14 ized, by existing provisions of law, to exercise over any Fed-
15 eral educational institution or training establishment, or to
16 prevent the furnishing of education or training under this
17 title in any institution or establishment over which super-
18 vision or control is exercised by such other department,
19 agency, or officer under authority of existing provisions of
20 law.

21 CONFLICTING INTERESTS

22 SEC. 264. (a) Every officer or employee of the Vet-
23 erans' Administration or of the Office of Education, who has,
24 while such an officer or employee, owned any interest in, or

1 received any wages, salary, dividends, profits, gratuities, or
2 services from, any educational institution operated for profit
3 in which an eligible veteran was pursuing a course of educa-
4 tion or training under this title shall be immediately dismissed
5 from his office or employment.

6 (b) If the Administrator finds that any person who is
7 an officer or employee of a State approving agency has,
8 while he was such an officer or employee, owned any interest
9 in, or received any wages, salary, dividends, profits, gratui-
10 ties, or services from, an educational institution operated for
11 profit in which an eligible veteran was pursuing a course
12 of education or training under this title, he shall discontinue
13 making payments under section 245 to such State approving
14 agency unless such agency shall, without delay, take such
15 steps as may be necessary to terminate the employment of
16 such person and such payments shall not be resumed while
17 such person is an officer or employee of the State approving
18 agency, or State Department of Veterans Affairs or State
19 Department of Education.

20 (c) A State approving agency shall not approve any
21 course offered by an educational institution operated for
22 profit and, if any such course has been approved, shall disap-
23 prove each such course, if it finds that any officer or employee
24 of the Veterans' Administration, the Office of Education,

1 or the State approving agency owns an interest in, or re-
2 ceives any wages, salary, dividends, profits, gratuities, or
3 services from, such institution.

4 *REPORTS BY INSTITUTIONS*

5 *SEC. 265. Educational institutions and training estab-*
6 *lishments shall, without delay, report to the Administrator*
7 *in the form prescribed by him, the enrollment, interruption,*
8 *and termination of the education or training of each eligible*
9 *veteran enrolled therein under this title.*

10 *OVERPAYMENTS TO VETERANS*

11 *SEC. 266. In any case where it is found by the Adminis-*
12 *trator that an overpayment has been made to a veteran*
13 *as the result of (1) the willful or negligent failure of the*
14 *educational institution or training establishment to report,*
15 *as required by this title and applicable regulations, to the*
16 *Veterans' Administration excessive absences from a course,*
17 *or discontinuance or interruption of a course by the veteran*
18 *or (2) false certification by the educational institution or*
19 *training establishment, the amount of such overpayment*
20 *shall constitute a liability of such institution or estab-*
21 *lishment, and may be recovered in the same manner*
22 *as any other debt due the United States: Provided,*
23 *That any amount so collected shall be reimbursed if the over-*
24 *payment is recovered from the veteran. This provision shall*

1 *not preclude the imposition of any civil or criminal action*
2 *under this or any other statute.*

3 *EXAMINATION OF RECORDS*

4 *SEC. 267. The records and accounts of educational in-*
5 *stitutions and training establishments pertaining to eligible*
6 *veterans who received education or training under this title*
7 *shall be available for examination by duly authorized repre-*
8 *sentatives of the Government.*

9 *FALSE OR MISLEADING STATEMENTS*

10 *SEC. 268. The Administrator shall not make any pay-*
11 *ments under this title to any person found by him to have will-*
12 *fully submitted any false or misleading claims. In each case*
13 *where the Administrator finds that an educational institution*
14 *or training establishment has willfully submitted a false or*
15 *misleading claim, or where a veteran, with the complicity*
16 *of an educational institution or training establishment, has*
17 *submitted such a claim, he shall make a complete report of the*
18 *facts of the case to the appropriate State approving agency*
19 *and where deemed advisable to the Attorney General of the*
20 *United States for appropriate action.*

21 *CRIMINAL PENALTIES AND FORFEITURES*

22 *SEC. 269. Whoever knowingly and willfully—*

23 *(1) makes or presents any false, fictitious, or*
24 *fraudulent affidavit, declaration, certificate, voucher,*

1 *endorsement, or paper or writing purporting to be such,*
2 *concerning any claim for payment under this title, or*
3 *pertaining to any matter arising under this title,*

4 *(2) makes or presents any paper required under*
5 *this title on which paper a date other than the date*
6 *upon which it was actually signed or acknowledged by the*
7 *claimant has been willfully inserted,*

8 *(3) certifies falsely that the declarant, affiant, or*
9 *witness named in such affidavit, declaration, voucher,*
10 *endorsement, or other paper or writing personally ap-*
11 *peared before him and was sworn thereto, or acknowl-*
12 *edged the execution thereof, or*

13 *(4) accepts and converts to his own use payments*
14 *for any period during which he was not actually pur-*
15 *suing a course of education or training under this title*
16 *for which period payment was made,*

17 *shall forfeit all rights, claims, and benefits under this title*
18 *and under Public Law 2, Seventy-third Congress, as*
19 *amended, and, upon conviction, shall be fined not more than*
20 *\$500 or imprisoned not more than six months, or both. Any*
21 *person not subject to the forfeiture provisions of this section*
22 *who violates this section shall be fined not more than \$5,000*
23 *or imprisoned not more than three years, or both.*

APPLICATION OF OTHER LAWS

SEC. 270. *The provisions of Public Law Numbered 262, Seventy-fourth Congress, approved August 12, 1935 (49 Stat. 607), as amended, and the provisions of titles II and III of Public Law Numbered 844, Seventy-fourth Congress, approved June 29, 1936, as amended, shall be for application under this title.*

WAIVER OF RECOVERY OF OVERPAYMENTS

SEC. 271. *There shall be no recovery of payments of education and training allowance made under this title from any person who, in the judgment of the Administrator, is without fault on his part and where, in the judgment of the Administrator, such recovery would defeat the purpose of benefits otherwise authorized or would be against equity and good conscience. No disbursing officer or certifying officer shall be held liable for any amount paid to any person where the recovery of such amount is waived under this section.*

INFORMATION FURNISHED BY FEDERAL TRADE

COMMISSION

SEC. 272. *The Federal Trade Commission shall keep all State approving agencies advised of any information coming to its attention which would be of assistance to such agencies in carrying out their duties under this title.*

EFFECTIVE DATE

SEC. 273. This title shall take effect on the date of its enactment, except that no education and training allowance shall be paid for any period prior to September 1, 1952.

TITLE III—LOANS

PERSONS ELIGIBLE FOR LOANS

SEC. 310. Subsection (a) of section 500 of the Servicemen's Readjustment Act of 1944, as amended, is amended—

(1) by inserting after "war" in the first sentence the following: ", or at any time on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress,";

(2) by inserting before the period at the end of the first sentence the following: ": Provided, That any person who is eligible for the benefits of this title by virtue of active service prior to June 27, 1950, or is the owner of property acquired through benefits accruing for prior service, shall not be eligible for additional benefits under this title by reason of active service on or after June 27, 1950: Provided further, That any guaranty entitlement used prior to reentry into service as to which the Administrator has incurred no loss and is no longer sub-

ject to contingent liability shall be restored to any veteran separated from the service after June 27, 1950"; and

(3) by inserting after "war" in the third sentence the following: ", and any loan to a veteran eligible by virtue of active service on or after June 27, 1950, if made within ten years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress,".

POWER OF ADMINISTRATOR TO EXAMINE LOANS

SEC. 302. Section 500 of the Servicemen's Readjustment Act of 1944, as amended, is amended by adding at the end thereof the following new subsection:

"(f) Notwithstanding the provisions in this title respecting automatically guaranteed loans, the Administrator may at any time upon thirty days' notice require loans to be made by any lender or class of lenders to be submitted for prior approval, and no guaranty or insurance liability shall exist in respect to such loans unless evidence of guaranty or insurance is issued by the Administrator."

ADDITIONAL REQUIREMENT FOR GUARANTEED LOANS

SEC. 303. Section 501 (a) (2) of the Servicemen's Readjustment Act of 1944, as amended, is amended by in-

1 serting after “expenses” the following: “, and the veteran is
2 a satisfactory credit risk”.

3 STANDARDS OF PLANNING AND CONSTRUCTION; WAR-
4 RANTIES; SUBSTANTIAL DEFICIENCIES IN HOUSING

5 SEC. 304. Section 504 of the Servicemen’s Readjustment
6 Act of 1944, as amended, is amended by striking out sub-
7 section (b) and inserting in lieu thereof the following new
8 subsections:

9 “(b) No loan for the purchase or construction of resi-
10 dential property on which construction is begun subsequent
11 to sixty days from the date the Veterans’ Readjustment
12 Assistance Act of 1952 becomes effective shall be financed
13 through the assistance of the provisions of this title unless
14 the property meets or exceeds minimum requirements for
15 planning, construction, and general acceptability prescribed
16 by the Administrator: Provided, That subsection 504 (b)
17 as originally enacted shall continue to be applicable to con-
18 struction begun prior to the end of such sixty-day period:
19 Provided further, That this subsection shall not apply to a
20 loan for the purchase of residential property the construction
21 of which was completed more than one year prior to the
22 making of such loan.

23 “(c) The seller of a newly constructed dwelling unit
24 which is sold for initial occupancy to any person who meets

1 the eligibility requirements of section 500 (a) or section 1506
2 of this Act, as amended, with the aid of financing guaranteed
3 or insured by an agency or instrumentality of the Federal
4 Government, and such other person as may be required by
5 such agency or instrumentality to become warrantor, shall be
6 deemed to have expressly warranted to such purchaser that
7 the dwelling is constructed in substantial conformity with the
8 plans and specifications on which such agency or instrumen-
9 tality based its valuation of the unit or its commitment to
10 guarantee or insure a loan to finance the construction or
11 purchase of such unit. Such warranty shall apply only with
12 respect to failures of performances as to which the purchaser
13 has given written notice to the warrantor within one year
14 from the date of initial occupancy.

15 “(d) The Administrator shall have the right to refuse
16 to appraise any dwelling or housing project owned, spon-
17 sored, or to be constructed by any person identified with
18 housing previously sold to veterans under this title as to which
19 substantial deficiencies have been discovered, or as to which
20 there has been a failure or indicated inability to discharge
21 contractual liabilities to veterans, or as to which it is ascer-
22 tained that the type of contract of sale or the methods or prac-
23 tices pursued in relation to the marketing of such properties
24 were unfair or unduly prejudicial to veteran purchasers.”

ELIGIBILITY FOR LOANS TO REFINANCE EXISTING

LIABILITY

SEC. 305. Section 507 (1) of the Servicemen's Readjustment Act of 1944, as amended, is amended by inserting before the semicolon at the end thereof the following: "or, in the case of a veteran eligible by virtue of active service on or after June 27, 1950, not later than ten years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress".

EXPIRATION OF AUTHORITY TO MAKE DIRECT LOANS

SEC. 306. Section 512 (b) of the Servicemen's Readjustment Act of 1944, as amended, is amended by striking out "(D)" and inserting in lieu thereof "(C)" and by inserting before the period at the end thereof the following: "
", except that if a commitment to make such a loan was issued by the Administrator prior to that date the loan may be completed subsequent to such date".

REFUSAL TO GUARANTEE OR INSURE LOANS IN CERTAIN

CASES

SEC. 307. Title III of the Servicemen's Readjustment Act of 1944, as amended, is amended by adding at the end thereof the following new section:

“SEC. 514. Whenever the Administrator finds with respect to loans guaranteed or insured under this title that any lender or holder has failed to maintain adequate loan ac-

1 *counting records, or to demonstrate proper ability to service*
2 *loans adequately or to exercise proper credit judgment or has*
3 *willfully or negligently engaged in practices otherwise detri-*
4 *mental to the interest of veterans or of the Government, he*
5 *may refuse either temporarily or permanently to guarantee*
6 *or insure any loans made by such lender or holder or bar*
7 *such lender or holder from acquiring loans guaranteed or*
8 *insured under this title: Provided, That the Administrator*
9 *shall not refuse to pay a guarantee on loans theretofore*
10 *entered into in good faith between the veteran and the lending*
11 *institution.”*

12 *TITLE IV—OLD-AGE AND SURVIVORS*
13 *INSURANCE*

14 *WAGE CREDITS FOR VETERANS OF KOREAN CONFLICT*

15 *SEC. 401. (a) Section 217 of the Social Security Act*
16 *is amended by adding at the end thereof the following new*
17 *subsection:*

18 *“(e) (1) For purposes of determining entitlement to*
19 *and the amount of any monthly benefit or lump-sum death*
20 *payment payable under this title on the basis of the*
21 *wages and self-employment income of any veteran of active*
22 *military or naval service on or after June 27, 1950, such*
23 *veteran shall be deemed to have been paid wages (in addi-*
24 *tion to the wages, if any, actually paid to him) of \$160 in*
25 *each month during any part of which he served in the active*

1 *military or naval service of the United States on or after*
2 *June 27, 1950, and prior to such date as shall be determined*
3 *by Presidential proclamation or concurrent resolution of the*
4 *Congress. This subsection shall not be applicable in the case*
5 *of any monthly benefit or lump-sum death payment if—*

6 “(A) a larger such benefit or payment, as the case
7 may be, would be payable without its application; or

8 “(B) a benefit (other than a benefit payable in a
9 lump sum unless it is a commutation of, or a substitute
10 for, periodic payments) which is based, in whole or in
11 part, upon the active military or naval service of such
12 veteran on or after June 27, 1950, and prior to such
13 date as shall be determined by Presidential proclamation
14 or concurrent resolution of the Congress, is determined
15 by any agency or wholly owned instrumentality of the
16 United States (other than the Veterans' Administration)
17 to be payable by it under any other law of the United
18 States or under a system established by such agency or
19 instrumentality.

20 *The provisions of clause (B) shall not be applicable in the*
21 *case of any monthly benefit or lump-sum death payment*
22 *under this title if its application would reduce the primary*
23 *insurance amount (as computed under section 215 prior to*
24 *any recomputation thereof pursuant to subsection (f) of such*

1 section) of the individual on whose wages and self-employ-
2 ment income such benefit or payment is based by \$0.50
3 or less.

4 “(2) Upon application for benefits or a lump-sum death
5 payment on the basis of the wages and self-employment in-
6 come of any veteran of active military or naval service on
7 or after June 27, 1950, the Federal Security Administrator
8 shall make a decision without regard to clause (B) of para-
9 graph (1) of this subsection unless he has been notified by
10 some other agency or instrumentality of the United States
11 that, on the basis of the military or naval service of such
12 veteran on or after June 27, 1950, and prior to such date
13 as shall be determined by Presidential proclamation or con-
14 current resolution of the Congress, a benefit described in
15 clause (B) of paragraph (1) has been determined by such
16 agency or instrumentality to be payable by it. If he has not
17 been so notified, the Federal Security Administrator shall then
18 ascertain whether some other agency or wholly owned in-
19 strumentality of the United States has decided that a benefit
20 described in clause (B) of paragraph (1) is payable by it.
21 If any such agency or instrumentality has decided, or there-
22 after decides, that such a benefit is payable by it, it shall so
23 notify the Federal Security Administrator, and the Adminis-
24 trator shall certify no further benefits for payment or shall

1 recompute the amount of any further benefits payable, as
2 may be required by paragraph (1) of this subsection.

3 “(3) Any agency or wholly owned instrumentality of the
4 United States which is authorized by any law of the United
5 States to pay benefits, or has a system of benefits which are
6 based, in whole or in part, on military or naval service on or
7 after June 27, 1950, and prior to such date as shall be deter-
8 mined by Presidential proclamation or concurrent resolution
9 of the Congress, shall, at the request of the Federal Security
10 Administrator, certify to him, with respect to any veteran of
11 active military or naval service on or after June 27, 1950,
12 such information as the Administrator deems necessary to
13 carry out his functions under paragraph (2) of this sub-
14 section.

15 “(4) There are hereby authorized to be appropriated
16 to the Trust Fund from time to time, as benefits which in-
17 clude service to which this subsection is applicable become
18 payable under this title, such sums as the Administrator es-
19 timates to be necessary to meet the additional costs, result-
20 ing from this subsection, of such benefits (including lump-
21 sum death payments). Such estimates shall be arrived at
22 through the use of appropriate accounting, statistical, sam-
23 pling, or other methods.

24 “(5) For the purposes of this subsection, the term ‘vet-
25 eran’ means any individual who served in the active military

1 or naval service of the United States at any time on or after
2 June 27, 1950, and prior to such date as shall be determined
3 by Presidential proclamation or concurrent resolution of the
4 Congress, and who, if discharged or released therefrom, was
5 so discharged or released under conditions other than dis-
6 honorable after active service of ninety days or more or by
7 reason of a disability or injury incurred or aggravated in
8 service in line of duty; but such term shall not include any
9 individual who died while in the active military or naval serv-
10 ice of the United States if his death was inflicted (other than
11 by an enemy of the United States) as lawful punishment for
12 a military or naval offense.”

13 (b) Section 205 (o) of such Act is amended by striking
14 out “section 217 (a)” and inserting in lieu thereof “subsec-
15 tion (a) or (e) of section 217”.

16 (c) (1) The amendments made by subsections (a) and
17 (b) shall be applicable only with respect to monthly bene-
18 fits under section 202 of the Social Security Act for months
19 after, and with respect to lump-sum death payments in the
20 case of deaths occurring after, the month following the month
21 in which this Act is enacted, except that, in the case of any
22 individual who is entitled, on the basis of the wages and self-
23 employment income of any individual to whom section
24 217 (e) of the Social Security Act applies, to monthly
25 benefits under such section 202 for the month following

1 the month in which this Act is enacted, such amendments
2 shall be applicable (A) only if an application for recompu-
3 tation by reason of the amendments is filed by such individual,
4 or any other individual, entitled to benefits under such
5 section 202 on the basis of such wages and self-employment
6 income, and (B) only with respect to such benefits for
7 months after whichever of the following is the later: the first
8 month following the month in which this Act is enacted or
9 the seventh month before the month in which such applica-
10 tion was filed. Recomputations of benefits as required
11 to carry out the provisions of this paragraph shall be made
12 notwithstanding the provisions of section 215 (f) (1) of
13 the Social Security Act; but no such recomputation shall be
14 regarded as a recomputation for purposes of section 215
15 (f) of the Social Security Act.

16 (2) In the case of any veteran (as defined in section
17 217 (e) (5) of the Social Security Act) who died prior
18 to the enactment of this Act, the time within which proof
19 of support may be filed under subsection (f) or (h) of
20 section 202 of the Social Security Act shall be two years
21 after the date of enactment of this Act.

22 LUMP-SUM DEATH PAYMENTS FOR REINTERMENT OF

23 DECEASED VETERANS

24 SEC. 402. (a) Section 101 (d) of the Social Security
25 Act Amendments of 1950 is amended by changing the period

1 at the end thereof to a comma and adding: "and except that
2 in the case of any individual who died outside the forty-eight
3 States and the District of Columbia on or after June 27,
4 1950, and prior to September 1950, whose death oc-
5 curred while he was in the active military or naval
6 service of the United States, and who is returned to
7 any of such States, the District of Columbia, Alaska,
8 Hawaii, Puerto Rico, or the Virgin Islands for inter-
9 ment or reinterment, the last sentence of section 202 (g)
10 of the Social Security Act as in effect prior to the enactment
11 of this Act shall not prevent payment to any person under the
12 second sentence thereof if application for a lump-sum death
13 payment under such section with respect to such deceased
14 individual is filed by or on behalf of such person (whether
15 or not legally competent) prior to the expiration of two years
16 after the date of such interment or reinterment."

17 (b) In the case of any individual who died outside the
18 forty-eight States and the District of Columbia after August
19 1950 and prior to such date as shall be determined by Presi-
20 dential proclamation or concurrent resolution of the Congress,
21 whose death occurred while he was in the active military or
22 naval service of the United States, and who is returned to any
23 of such States, the District of Columbia, Alaska, Hawaii,
24 Puerto Rico, or the Virgin Islands for interment or reinter-
25 ment, the last sentence of section 202 (i) of the Social

1 *Security Act shall not prevent payment to any person under*
2 *the second sentence thereof if application for a lump-sum*
3 *death payment with respect to such deceased individual is*
4 *filed under such section by or on behalf of such person*
5 *(whether or not legally competent) prior to the expiration of*
6 *two years after the date of such interment or reinterment.*

7 *TITLE V—MUSTERING-OUT PAYMENTS*

8 *ELIGIBILITY FOR PAYMENTS*

9 *SEC. 501. Mustering-out pay as provided in this title is*
10 *designed to be in lieu of any provision for unemployment*
11 *insurance or readjustment (unemployment) allowances ex-*
12 *cept that it is not the purpose to impair any rights to unem-*
13 *ployment insurance which may be afforded under existing*
14 *laws.*

15 *SEC. 502. (a) Except as provided in subsection (b)*
16 *of this section, each member of the Armed Forces who shall*
17 *have been engaged in active service on or after June 27,*
18 *1950, and prior to such date as shall be determined by*
19 *Presidential proclamation or concurrent resolution of the*
20 *Congress, and who is discharged or relieved from active*
21 *service under honorable conditions, shall be eligible to receive*
22 *mustering-out payment.*

23 *(b) No mustering-out payment shall be made to—*

24 *(1) any member of the Armed Forces who, at the*

1 *time of discharge or relief from active service, is in a*
2 *pay grade higher than O-3;*

3 *(2) any member of the Armed Forces who is*
4 *retired or separated therefrom under provisions of law*
5 *other than title IV of the Career Compensation Act of*
6 *1949;*

7 *(3) any member of the Armed Forces for any*
8 *active service performed prior to the date of his dis-*
9 *charge or relief from active service on his own initiative*
10 *to accept employment or, in the case of any member so*
11 *relieved from active service, for any active service per-*
12 *formed prior to the date of his discharge while in such*
13 *inactive status, unless he has served outside the con-*
14 *tinental limits of the United States or in Alaska;*

15 *(4) any member of the Armed Forces whose total*
16 *period of service has been as a student assigned by the*
17 *Armed Forces to a civilian institution for a course of*
18 *education or training which was substantially the same*
19 *as established courses offered to civilians;*

20 *(5) any member of the Armed Forces for any ac-*
21 *tive service performed prior to the date of his discharge*
22 *from such forces for the purpose of entering the United*
23 *States Military Academy, the United States Naval*
24 *Academy, or the United States Coast Guard Academy;*

(6) any member of the Armed Forces whose sole service has been as a cadet at the United States Military Academy or the United States Coast Guard Academy, or as a midshipman at the United States Naval Academy, or in a preparatory school after nomination as a principal, alternate, or candidate for admission to any of said Academies; and

(7) any commissioned officers unless he is discharged or relieved from active service within three years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress.

DETERMINATION OF PAYMENTS

SEC. 503. (a) Mustering-out payment for persons eligible under section 502 shall be in sums as follows:

(1) \$300 for persons who, having performed active service for sixty days or more, have served outside the continental limits of the United States or in Alaska.

(2) \$200 for persons who, having performed active service for sixty days or more, have served no part thereof outside the continental limits of the United States or in Alaska.

(3) \$100 for persons who have performed active service for less than sixty days.

(b) Each person eligible to receive mustering-out payment under subsection (a) (1) shall receive one-third of

1 the stipulated amount at the time of final discharge or
2 ultimate relief from active service, or at the option of the
3 person so eligible, at the time of discharge or release for the
4 purpose of enlistment, reenlistment, or appointment in a regu-
5 lar component of the Armed Forces; and the remaining
6 amount of such payment shall be paid in two equal install-
7 ments—one month and two months, respectively, from the
8 date of the original payment. Each person eligible to receive
9 mustering-out payment under subsection (a) (2) shall
10 receive one-half of the stipulated amount at the time of
11 final discharge or ultimate relief from active service or, at
12 the option of the person so eligible, at the time of discharge
13 or release for the purpose of enlistment, reenlistment, or
14 appointment in a regular component of the Armed Forces;
15 and the remaining amount of such payment shall be paid one
16 month from the date of the original payment. Each person
17 eligible to receive mustering-out payment under subsection
18 (a) (3) shall receive the stipulated amount at the time of
19 such discharge or relief from active service or, at the option
20 of the person so eligible, at the time of discharge or release
21 for the purpose of enlistment, reenlistment, or appointment
22 in a regular component of the Armed Forces. A person en-
23 titled to receive the first installment of the mustering-out
24 payment at the time of discharge or release for the purpose
25 of enlistment, reenlistment, or appointment in a regular com-

ponent of the Armed Forces shall, at his election, receive the whole of such payment in one lump sum, rather than in installments.

TIME LIMITATIONS

SEC. 504. Any member of the Armed Forces entitled to mustering-out payment who shall have been discharged or relieved from active service under honorable conditions before the effective date of this title shall, if application therefor is made within two years after the date of enactment of this title, be paid such mustering-out payment by the Department of the Army, Navy, or Air Force, or the Treasury Department, as the case may be, beginning within one month after application has been received and approved by such department. No member of the Armed Forces shall receive mustering-out payment under this title more than once, and such payment shall accrue and the amount thereof shall be computed as of the time of discharge for the purpose of effecting a permanent separation from the service or of ultimate relief from active service or, at the option of such member, for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces.

DECEASED MEMBERS

SEC. 505. If any member of the Armed Forces, after his discharge or relief from active service, shall die before receiving any portion of or the full amount of his muster-

1 *ing-out payment, the balance of the amount due him shall*
2 *be payable, on appropriate application therefor, to his sur-*
3 *iving spouse, if any; and if he shall leave no surviving*
4 *spouse, then in equal shares to his child or children, if any;*
5 *and if he shall leave no surviving spouse or child or chil-*
6 *dren, then in equal shares to his surviving parents, if any.*
7 *No payments under this title shall be made to any other*
8 *person.*

9 ADMINISTRATION OF TITLE

10 *SEC. 506. (a) Mustering-out payments due or to be-*
11 *come due under this title shall not be assignable and any*
12 *payments made to or on account of a veteran hereunder*
13 *shall be exempt from taxation, shall be exempt from the*
14 *claims of creditors, including any claim of the United States,*
15 *and shall not be subject to attachment, levy, or seizure by or*
16 *under any legal or equitable process whatever either before*
17 *or after receipt by the payee.*

18 *(b) The Secretaries of the Army, Navy, Air Force, and*
19 *Treasury shall make such regulations not inconsistent with*
20 *this title as may be necessary effectively to carry out the*
21 *provisions thereof, and their decisions shall be final and not*
22 *subject to review by any court or other Government official.*

23 *(c) The Secretaries of the Army, Navy, Air Force, and*
24 *Treasury, or such subordinate officers as they may designate,*

1 are authorized to make direct payment to survivors over
2 seventeen years of age, and to select a proper person or
3 persons to whom mustering-out payments may be made for
4 the use and benefit of former active members of the Armed
5 Forces, or survivors thereof, as defined by section 505 hereof,
6 without the necessity of appointment by judicial proceedings
7 of a legal representative of any such former member or such
8 survivors when, in the opinion of the respective Secretaries
9 or their designees, the interests of persons under seventeen
10 years of age so justify, or where the former active member
11 or his survivors is suffering from a mental disability suf-
12 ficient to make direct payment not in the best interests of
13 such person or persons. Payments made under the provi-
14 sions of this subsection shall constitute a complete discharge
15 of the obligation of the United States as provided in this
16 title; and the selection of a proper person or persons, as
17 provided herein, and the correctness of the amount due and
18 paid to such person or persons shall have the same finality
19 as that accorded decisions made pursuant to subsection (b).
20 The provisions of this subsection shall not apply where a
21 legal guardian or committee has been judicially appointed,
22 except as to any payments made hereunder prior to the
23 receipt of notice of appointment.

DEFINITIONS

SEC. 507. As used in this title—

(a) The term “spouse” means a lawful wife or husband.

(b) The term “child” includes (1) a legitimate child; (2) a child legally adopted; and (3) a stepchild, if, at the time of death of the member of the Armed Forces, such stepchild was a member of the deceased’s household.

(c) The term “parent” includes father and mother, stepfather and stepmother, and father and mother through adoption.

(d) The term “Armed Forces” means the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard of the United States.

TITLE VI—MISCELLANEOUS

JOB COUNSELING AND EMPLOYMENT PLACEMENT

SEC. 601. Section 607 of title IV, Servicemen’s Readjustment Act of 1944, as amended (38 U. S. C. 695f), is hereby amended to read as follows:

“SEC. 607. The term ‘veteran’ as used in this title shall mean a person who served in the active service of the Armed Forces during a period of war in which the United States has been, or is, engaged, or during the period on or after June 27, 1950, and prior to such date as may be thereafter

1 *determined by Presidential proclamation or concurrent reso-*
2 *lution of the Congress, and who has been discharged or re-*
3 *leased therefrom under conditions other than dishonorable."*

4 *AUTHORIZATION OF APPROPRIATIONS*

5 *SEC. 602. There are hereby authorized to be appro-*
6 *priated such sums as may be necessary to carry out this*
7 *Act.*

Amend the title so as to read: "A bill to provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, and for other purposes."

82^d CONGRESS
2^d Session

H. R. 7656

[Report No. 1943]

A BILL

To provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress.

By Mr. TEAGUE

APRIL 30, 1952

Referred to the Committee on Veterans' Affairs

MAY 16, 1952

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

Deceased veterans returned to this country for burial (p. 6466).

20. **WATER POLLUTION.** Passed without amendment H. R. 6856, extending the Water Pollution Control Act for three years (p. 6467).
21. **VETERANS' BENEFITS.** Began debate on H. R. 7656, the Korean veterans' GI bill, but deferred the vote on passage of the bill until Thurs. (pp. 6468-500).
22. **LAND TRANSFER.** At the request of Rep. Ford, passed over H. R. 1631, to transfer Ft. Reno lands to the Indians (p. 6464).
23. **PERSONNEL.** Passed without amendment H. R. 7641, providing benefits to Federal employees of Japanese ancestry who lost rights with respect to grade, time in grade, and rate of compensation because of any policy or program of the Federal Government during World War II (p. 6465).
- Received from Defense Department a draft of proposed legislation to amend the act of April 23, 1950, "relating to a uniform retirement date for authorized retirement of Federal personnel"; to the Post Office and Civil Service Committee (p. 6503).
24. **MINERALS.** The Interior and Insular Affairs Committee reported with amendment H. R. 5788, to extend certain 10 year oil and gas leases (H. Rept. 2014) (p. 6503).

BILL INTRODUCED

25. **WATER POLLUTION.** S. 3267, by Sen. McKellar, to amend the Water Pollution Control Act to raise the limit on the size of the loans which may be made under such act for the purpose of assisting local governmental agencies in the construction of works for the treatment of sewage and other wastes; to Public Works Committee (p. 6374).
26. **FOREST PRODUCTS.** S. 3243, by Sen. Chavez, amending the Act of July 31, 1947 to include disposal of materials on national-forest lands; to Interior and Insular Affairs Committee (May 28).

ITEMS IN APPENDIX

27. **COTTON.** Extension of remarks by Rep. Gathings favoring H. R. 6894, providing low-middling cotton as the standard for determining parity for the 1952 crop, as an incentive for greater cotton production and a protection against a "disastrous price decline" (pp. A3521-2).
28. **CREDIT.** Rep. Harvey inserted a newspaper editorial questioning the Government's money lending function through its credit agencies (pp. A3527-8).
29. **FOREIGN AID.** Extension of remarks by Rep. McGregor questioning the present sum asked for the Mutual Security Program on the ground that the receiving countries are not being cooperative (p. A3529).
30. **POTATOES.** Rep. Rhodes inserted a newspaper editorial claiming that the solution to the potato problem is quota controls managed by the farmers, themselves, limiting production at guaranteed price minimums (p. A3538).
31. **REORGANIZATION.** Sen. Byrd inserted a speech by Dr. Robert L. Johnson, national chairman, Citizens Committee for the Hoover Report, discussing the contributions the Hoover Commission has made toward government efficiency (pp. A3538-40).

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COMMITTEE HEARING RELEASED BY GPO

32. APPROPRIATIONS. Interior Department Appropriations for 1953, H. R. 7176. S. Appropriations Committee.

oOo

COMMITTEE HEARING ANNOUNCEMENTS for June 3: Foreign aid, conferees (ex). Hoover Commission recommendations, H. Expenditures. Immigration of refugees, H. Judiciary. Fair-trade laws, S. Interstate and Foreign Commerce. G. I. education bill, S. Labor and Public Welfare. Federal Supply Catalog Act, S. Armed Services. Mutual Security, H. Appropriations (ex). Hoover Commission recommendations, H. Veterans' Affairs. Amortization of emergency facilities, H. Ways and Means (ex).

oOo

For supplemental information and copies of legislative material referred to, call Ext. 4654, or send to Room 105A.

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There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, which will occur by the expiration of the term of Dr. Vannevar Bush, of Washington, D. C., on May 2, 1952, be filled by the reappointment of the present incumbent for the statutory term of 6 years.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WATER POLLUTION CONTROL

Mr. LARCADE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6356) to extend the duration of the Water Pollution Control Act, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. BYRNES. Mr. Speaker, reserving the right to object, and I do not intend to object, I would like to ask the gentleman some questions about the operation and administration of the Water Pollution Act. Can the gentleman give us any idea when the Department intends to start acting under the authority of this act, and when it is going to be our policy to eliminate pollution in the rivers and streams? I ask this question because I have been trying to get legislation through which would attempt to encourage the erection and maintenance of waste-treatment plants. The Department in reporting on the legislation simply says that they are unable to approve anything of this nature at this time because the matter is under study. When are they going to get through studying and actually do something to eliminate stream pollution?

Mr. LARCADE. In reply to the gentleman's query, I wish to say that this bill is only an extension of existing law for a period of 3 years.

With respect to the question as to the progress being made, appropriations, of course, depend entirely upon the Committee on Appropriations and the legislatures of the various States of the United States. Every effort is being made by the Department to go ahead with this program, especially in those places where the situation is so critical. But, in the first instance, we had to get legislation passed by the various States of the Union, and in some instances we have to have matching funds. But, the rapidity of the progress of the program is based entirely on the extent to which appropriations are made by the Congress for that purpose.

Mr. BYRNES. In this instance, of course, appropriations have nothing to do with it. It seems to me that they simply cannot make up their minds as to what they want to do so far as the encouragement of the building of waste-treatment plants is concerned. I cannot understand why they are moving so slowly in operating under this authority, and why they have not been able to

decide that we certainly have to do everything possible to encourage the communities and industries and anybody that we can encourage to stop dumping waste, and particularly industrial waste, into the streams and rivers of the country.

Mr. MCGREGOR. Mr. Speaker, will the gentleman yield?

Mr. BYRNES. I yield.

Mr. MCGREGOR. I concur in the inquiry made by the gentleman from Wisconsin, and also the statement made by the gentleman from Louisiana. I think the gentleman from Wisconsin brought out a very good point. It was brought out in committee, namely that it is time that we started action on this stream-pollution program. As the gentleman from Louisiana said, this is simply an extension of the enabling legislation. But, the time has certainly arrived where we have to have some action. I might add this bill came out of our committee by a unanimous vote after quite a bit of discussion.

Mr. BYRNES. As I suggested, Mr. Speaker, it was not my intention to object, but I did want to bring this matter to the attention of the House.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. LARCADE]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the words "each of the five fiscal years during the period beginning July 1, 1948, and ending June 30, 1953" where they occur in section 7 and subsections (a), (c), (d), and (e) of section 8 of the Water Pollution Control Act (Public Law 845, 80th Cong.), are hereby amended to read "each of the eight fiscal years during the period beginning July 1, 1948, and ending June 30, 1956."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SPECIAL ORDER GRANTED

Mr. JACKSON of Washington (at the request of Mr. MANSFIELD) was given permission to address the House for 1 hour on Thursday next, following the conclusion of any special orders heretofore entered.

AMENDING UNIVERSAL MILITARY TRAINING AND SERVICE ACT

Mr. BROOKS. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 7714) to amend the Universal Military Training and Service Act, as amended, and for other purposes.

The Clerk read as follows:

Be it enacted, etc., That section 21 of the Universal Military Training and Service Act, as amended, is further amended by adding the following at the end thereof:

"The President may retain the unit organizations and the equipment thereof, exclusive of the individual members thereof, in the active Federal service for a total period of five consecutive years, and upon being relieved by the appropriate Secretary from active Federal service, National Guard, or Air

National Guard units, shall, insofar as practicable, be returned to their National Guard or Air National Guard status in their respective States, Territories, the District of Columbia, and Puerto Rico, with pertinent records, colors, histories, trophies, and other historical impedimenta."

*Sec. 2. Notwithstanding any other provision of law, the Secretary of the Army and the Secretary of the Air Force, as appropriate, may, under such regulations as he may prescribe, provide for the organization within any State, Territory, the District of Columbia, or Puerto Rico, of units of the National Guard and Air National Guard whenever unit organizations thereof are retained in the Federal service pursuant to the amendatory provisions of the first section hereof. Each unit so organized shall be comparable in organization structure to that of the unit organization retained in the Federal service, and the strength of any such organized unit shall be as prescribed by the appropriate Secretary and may be changed from time to time, depending upon the availability of manpower: *Provided*, That such units, organized as herein provided, and the members thereof shall be integrated into the respective corresponding unit organizations of the National Guard and Air National Guard retained in the Federal service within a reasonable time after the date of the release of such retained units to State control: *Provided further*, That the Secretary of the Army and the Secretary of the Air Force, as appropriate, under such regulations as he may prescribe shall provide for the arming and equipping of such units in such manner and without regard to apportionment, from available Army, or Air Force stocks, as appropriate, or otherwise, as he may deem necessary. Such arms and equipment shall be provided initially on a reduced basis and changed from time to time depending upon their availability.*

Sec. 3. Pursuant to regulations prescribed by the appropriate Secretary, the units authorized in section 2 hereof shall consist of persons eligible for enlistment and appointment in the National Guard or Air National Guard of the respective State, Territory, the District of Columbia, or Puerto Rico, in accordance with the provisions of the National Defense Act, as amended, and of members of the National Guard or Air National Guard who are released from the active military service of the United States or have nonterminated enlistments or appointments in the National Guard or Air National Guard of the respective State, Territory, the District of Columbia, or Puerto Rico, and the members thereof shall be entitled to the same benefits, rights, privileges, and emoluments and be subject to the same laws and regulations, as other members of the National Guard or Air National Guard of such State, Territory, the District of Columbia, or Puerto Rico.

The SPEAKER. Is a second demanded? [After a pause.] The Chair hears none.

Mr. BROOKS. Mr. Speaker, the bill before the House would authorize the President to retain the unit organizations and the equipment thereof of the National Guard, Air National Guard, and other Reserve components in the active Federal service for a total period of five consecutive years.

At the outset I want to make it clear that this bill in no way extends the period of military service required of individuals under present law. It only pertains to the retention of unit designations and the units' records, colors, trophies, and other historical impedimenta. Under the terms of the bill, at the end of the 5-year period, or sooner,

if possible, the unit designations, together with pertinent records, colors, histories, trophies, and so forth, will be returned to the States.

I would like to explain why this legislation is necessary. Under section 21 of the Universal Military Training and Service Act, the President is authorized to order into active military or naval service of the United States for a period not to exceed 24 months any or all members or units of any or all Reserve components of the Armed Forces of the United States. There is no authority in that statute to retain units longer than the 24-month period specified in the act. Therefore, in the absence of this or other legislation, all units of the Reserve components ordered into Federal service must be released within a period not exceeding 24 months. Consequently, it will be necessary to designate or create new units to take the place of those being released to inactive duty under the provisions of present law.

This bill would allow the military services to retain the unit designations in the active service for a period not exceeding 5 years and also provides that when a unit is ordered into active Federal service from any State, a duplicate unit will be formed in that State to take the place of the unit ordered into the Federal service.

The unit to be formed at home will be a cadre-type unit and will bear the identical designation as its parent unit in the Federal service. The only difference will be that following the numerical designation of the unit the letters NGUS will be added.

I believe I can best explain to the Members how this bill will work by using a hypothetical example. My colleagues all know that the Forty-fifth Division of Oklahoma has been in the Federal service for almost 2 years. Not only is it in the Federal service but it is adding to the glorious history of the State of Oklahoma by its actions on the front in Korea. Under the provisions of present law, the Forty-fifth Division is due to be released to inactive duty in the not-too-far-distant future. Consequently, a new division will be required to take the place of the Forty-fifth Division when it is released from the Federal service. Now, this can be done in several ways. A new division can be ordered to active duty or, as the bill provides, the numerical designation of the Forty-fifth Division can be retained in the Federal service when the individual members thereof are returned to their homes.

When the Forty-fifth Division—or, for that matter, any other National Guard division—was ordered to active duty it was at about 50 percent strength. Following its entrance into the Federal service, it was filled up with draftees who, in nearly all instances, came from other States than Oklahoma. In addition, these draftees have different terms of service than the terms of service of the members of the Oklahoma division who were mustered into the service when the division was activated. It is easy to see, then, that if you take the Forty-fifth Division out of the Federal service, some place must be found for approxi-

mately 9,000 members of that division who will not be released when the division is deactivated.

The most painless method of accomplishing this, and by far the least expensive, is to retain the numerical designation of the Forty-fifth Division in the active military service and create a duplicate unit back in Oklahoma where the returning members of the Forty-fifth Division can be assigned.

Stop and think what is necessary if a new numerical division is created in the active service. It means the relettering and restenciling of all records and equipment. Each individual member's file must be changed so as to conform with the new division's numerical designation. Even mailing addresses must be changed and the administrative burden placed upon the military services is something which should be prevented.

As a matter of fact, this is a very simple bill. There is nothing complicated about it. There is nothing hidden. It does not harm the National Guard or the Reserve components. The Department of Defense is requesting the legislation and the National Guard Association and the Reserve Officers Association heartily endorse it.

Before my committee began hearings on this bill, I asked the president of the National Guard Association to poll each State in the Union and ask for its comments on the legislation. The results of the poll can be read in the printed subcommittee hearings, but I can tell you that the overwhelming majority of the States, the District of Columbia, and Puerto Rico endorse this bill. The poll showed that 42 States, the District of Columbia, and Puerto Rico voted in favor of this legislation and six States opposed it. It is significant to note that of the six States opposing, only two had any units of their National Guard in the Federal service. On the other hand, those States whose National Guard units are almost entirely federalized and serving overseas endorsed the bill and requested its enactment.

I would like to say one word about cost. If we pass this bill, there will be realized a saving of no less than approximately \$6,000,000 per division for each National Guard division federalized, in the normal costs of operation. I invite your attention to page 5 of the committee's report which sets forth the cost data of this legislation. We will save many millions in eliminating the call of duplicate guard divisions.

Mr. Speaker, I want to close my remarks by saying that this bill is urgently needed and it is needed now because those National Guard divisions and Reserve units which were mustered into the Federal service shortly following the outbreak of hostilities in Korea are due to be released and returned to their homes. We must provide other units both at home and in the field. This bill accomplishes just that.

The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

VETERANS' EDUCATIONAL ASSISTANCE ACT OF 1952

Mr. RANKIN. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 7656) to provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date, as shall be fixed by the President or the Congress, as amended.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc.—

TITLE I—SHORT TITLE AND STATEMENT OF POLICY

Short title

SEC. 101. This act may be cited as the "Veterans' Readjustment Assistance Act of 1952."

Statement of policy

SEC. 102. The Congress of the United States hereby declares that the veterans' education and training program created by this act is for the purpose of providing vocational readjustment and restoring lost educational opportunities to those servicemen and women whose educational or vocational ambitions have been interrupted or impeded by reason of active service in the Armed Forces during a period of national emergency and for the purpose of aiding such persons in attaining the educational and training status which they might normally have aspired to and obtained had they not served their country; and that the home, farm, and business-loan benefits, the old-age and survivors' insurance credits, the mustering-out payments, and the employment assistance provided for by this act are for the purpose of assisting in the readjustment of such persons from military to civilian life.

TITLE II—EDUCATIONAL AND VOCATIONAL ASSISTANCE

PART I—DEFINITIONS

SEC. 201. For the purposes of this title—

(1) the term "basic service period" means the period beginning on June 27, 1950, and ending on such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress;

(2) the term "eligible veteran" means any person who is not in the active service in the Armed Forces and who—

(A) has served in the active service in the Armed Forces at any time during the basic service period,

(B) has been discharged or released from such active service under conditions other than dishonorable, and

(C) has served in the active service in the Armed Forces for 90 days or more (exclusive of any period he was assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians, or as a cadet or midshipman at one of the service academies), or has been discharged or released from active service by reason of an actual service-incurred injury or disability;

(3) the term "program of education or training" means any single unit course or subject, any curriculum, or any combination of unit courses or subjects, which is generally accepted as necessary to fulfill requirements for the attainment of a predetermined and identified educational, professional, or vocational objective;

(4) the term "course" means an organized unit of subject matter in which instruction is offered within a given period of time or which covers a specific amount of related subject matter for which credit toward graduation or certification is usually given;

(5) the term "dependent" means—

(A) a child (as defined in par. VI of Veterans Regulation No. 10, as amended) of an eligible veteran,

(B) a parent (as defined in par. VII of Veterans Regulation No. 10, as amended) of an eligible veteran, if the parent is in fact dependent upon the veteran, and

(C) the wife of an eligible veteran, or, in the case of an eligible veteran who is a woman, her husband if he is in fact dependent upon the veteran;

(6) the term "educational institution" means any public or private elementary school, secondary school, vocational school, correspondence school, business school, junior college, teachers college, college, normal school, professional school, university, scientific or technical institution, or other institution furnishing education for adults;

(7) the term "training establishment" means any business or other establishment providing apprentice or other training on the job, including those under the supervision of a college or university or any State department of education, or any State apprenticeship agency, or any State board of vocational education, or any apprentice council, or the Bureau of Apprenticeship established in accordance with Public Law 308, Seventy-fifth Congress, or any agency of the Federal Government authorized to supervise such training;

(8) the term "Armed Forces" means the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard of the United States;

(9) the term "State" means the several States, the Territories and possessions of the United States, and the District of Columbia;

(10) the term "Administrator" means the Administrator of Veterans' Affairs; and

(11) the term "Commissioner" means the United States Commissioner of Education.

PART II—ELIGIBILITY

Entitlement to education or training generally

SEC. 211. Each eligible veteran shall, subject to the provisions of this title, be entitled to the education or training provided under this title.

Commencement; time limitations

SEC. 212. (a) No eligible veteran shall be entitled to initiate a program of education or training under this title after September 1, 1954, or after two years after his discharge or release from active service, whichever is later.

(b) The program of education and training of an eligible veteran under this title shall, on and after the delimiting date for the veteran to initiate his program, be pursued continuously until completion except that an eligible veteran may suspend the pursuit of his program for periods of not more than 12 consecutive months, and may suspend the pursuit of such program for longer periods if the Administrator finds that the suspension for each such period was due to conditions beyond the control of the eligible veteran.

(c) In the event an eligible veteran returns to active service in the Armed Forces during the basic service period, his date of discharge or release shall, for the purposes of this section and section 213, be the date of his discharge or release from his last period of active service which began during the basic service period.

Expiration of all education and training

SEC. 213. No education or training shall be afforded an eligible veteran under this title beyond seven years after either his discharge or release from active service or the end of the basic service period, whichever is earlier.

Duration of veteran's education or training

SEC. 214. (a) Each eligible veteran shall be entitled to education or training under this title for a period equal to one and a half

times the duration of his active service in the Armed Forces during the basic service period (or to the equivalent thereof in part-time training), except that—

(1) in computing the duration of his active service in the Armed Forces, there shall be excluded a period equal to any period he was assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians or as a cadet or midshipman at one of the service academies;

(2) the period of education or training to which an eligible veteran shall be entitled under this title shall not, except as provided in subsection (b), exceed 36 months; and

(3) the period of education or training to which an eligible veteran shall be entitled under this title together with education or training received under part VII (Public Law 16, 78th Cong., as amended, and Public Law 894, 81st Cong., as amended), or part VIII of Veterans Regulation No. 1 (a), as amended, shall not, except as provided in subsection (b), exceed 48 months in the aggregate.

(b) Whenever the period of entitlement to education or training under this title of an eligible veteran who is enrolled in an educational institution regularly operated on the quarter or semester system ends during a quarter or semester and after a major part of such semester or quarter has expired, such period shall be extended to the termination of such unexpired quarter or semester. In all other courses offered by educational institutions, whenever the period of eligibility ends after a major portion of the course is completed such period may be extended to the end of the course or for 9 weeks, whichever is the lesser period.

(c) In the case of any eligible veteran who is pursuing any program of education or training exclusively by correspondence, one-fourth of the elapsed time in following such program of education or training shall be charged against the veteran's period of entitlement.

PART III—ENROLLMENT

Selection of program

SEC. 221. Subject to the provisions of this title, each eligible veteran may select a program of education or training to assist him in attaining an educational, professional, or vocational objective at any educational institution or training establishment selected by him, whether or not located in the State in which he resides, which will accept and retain him as a student or trainee in any field or branch of knowledge which such institution or establishment finds him qualified to undertake or pursue. In no event, however, may an eligible veteran pursue a program of education or training under this title at an educational institution or training establishment which is not located in a State, except that the Administrator may approve the pursuit of a program of education or training in the Republic of the Philippines at an approved educational institution or training establishment.

Applications; approval

SEC. 222. Any eligible veteran who desires to initiate a program of education or training under this title shall submit an application to the Administrator which shall be in such form, and contain such information, as the Administrator shall prescribe. The Administrator shall approve such application unless he finds that such veteran is not eligible for or entitled to the education or training applied for or that his program of education or training fails to meet any of the requirements of this title, or that the eligible veteran is already qualified, by reason of previous education and training, for the educational, professional, or vocational objective for which the courses of the program of education or training are offered.

The Administrator shall notify the eligible veteran of the approval or disapproval of his application.

Change of program

SEC. 223. (a) Subject to the provisions of section 222, each eligible veteran may, at any time prior to the end of the period during which he is entitled to initiate a program of education or training under this title, make not more than one change of program of education or training.

(b) Each eligible veteran, who has not made a change of program of education or training before the expiration of the period during which he is entitled to initiate a program of education or training under this title, may make not more than one change of program of education or training with the approval of the Administrator. The Administrator shall approve such a change if he finds that—

(1) the eligible veteran is not making satisfactory progress in his present program and that the failure is not due to his own misconduct, his own neglect, or his own lack of application, and if the program to which the eligible veteran desires to change is more in keeping with his aptitude or previous education and training; or

(2) the program to which the eligible veteran desires to change, while not a part of the program currently pursued by him, is a normal progression from such program.

Avocational and recreational courses

SEC. 224. (a) The Administrator shall not approve the enrollment of an eligible veteran in any bartending course, dancing course, or personality development course.

(b) The Administrator shall not approve the enrollment of an eligible veteran—

(1) in any photography course, entertainment course, or any flight training course pursued as a hobby or which the Administrator finds to be avocational or recreational in character, or

(2) in any music course—instrumental or vocal—public speaking course, or course in sports or athletics such as horseback riding, swimming, fishing, skiing, golf, baseball, tennis, bowling, sports officiating, or other sport or athletic courses, except courses of applied music, physical education, or public speaking which are offered by institutions of higher learning for credit as an integral part of a program leading to an educational objective, or

(3) in any other type of course which the Administrator finds to be avocational or recreational in character;

unless the eligible veteran submits justification showing that the course will be of bona fide use in the pursuit of his present or contemplated business or occupation.

Discontinuance for unsatisfactory progress

SEC. 225. The Administrator shall discontinue the education and training allowance of an eligible veteran if, at any time, he finds that, according to the regularly prescribed standards and practices of the educational institution or training establishment, the conduct or progress of such veteran is unsatisfactory.

Minimum number of nonveteran students required

SEC. 226. The Administrator shall not approve the enrollment of any eligible veteran, not already enrolled, in any nonaccredited course below the college level offered by a proprietary profit or proprietary nonprofit educational institution for any period during which the Administrator finds that more than three-fourths of the students enrolled in the course are having all or any part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration under part VII or part VIII of Veterans Regulation No. 1 (a) or this title.

Period of operation for approval

SEC. 227. (a) The Administrator shall not approve the enrollment of an eligible veteran in any course offered by an educational institution when such course has been in operation for less than 2 years.

(b) Subsection (a) shall not apply to—

(1) any course to be pursued in a public or other tax-supported educational institution;

(2) any course which is offered by an educational institution which has been in operation for more than 2 years, if such course is similar in character to the instruction previously given by such institution; or

(3) any course which has been offered by an institution for a period of more than 2 years, notwithstanding the institution has moved to another location within the same general locality.

Institutions listed by Attorney General

SEC. 228. The Administrator shall not approve the enrollment of, or payment of an education and training allowance to, any eligible veteran in any course in an educational institution or training establishment while it is listed by the Attorney General under section 3 of part III of Executive Order 9835, as amended.

PART IV—PAYMENTS TO VETERANS

Education and training allowance

SEC. 231. (a) The Administrator shall pay to each eligible veteran who is pursuing a program of education or training under this title, and who applies therefor, an education and training allowance to meet in part the expenses of his subsistence, tuition, fees, supplies, books, and equipment.

(b) The education and training allowance for an eligible veteran shall be paid, as provided in section 232, only for the period of the veteran's enrollment as approved by the Administrator, but no allowance shall be paid—

(1) to any veteran enrolled in a course approved under section 253 or a course of institutional on-farm training for any period when the veteran is not pursuing his course in accordance with the regularly established policies and regulations of the institution and the requirements of this title.

(2) to any veteran enrolled in a course approved under section 254 or in a course of apprentice or other training on the job for any day of absence in excess of 30 days in a 12-month period, not counting as absences week ends or legal holidays established by Federal or State law during which the institution or establishment is not regularly in session or operation, or

(3) to any veteran pursuing his program of education exclusively by correspondence for any period during which no lessons were serviced by the institution.

(c) No education and training allowance shall be paid to an eligible veteran for any period until the Administrator shall have received—

(1) from the eligible veteran (A) in the case of an eligible veteran enrolled in a course approved under section 253 or a course of institutional on-farm training, a certification that he was actually enrolled in and pursuing the course as approved by the Administrator, or (B) in the case of an eligible veteran enrolled in a course approved under section 254 or a course of apprentice or other training on the job, a certification as to actual attendance during such period, or (C) in the case of an eligible veteran enrolled in a program of education or training by correspondence, a certification as to the number of lessons actually completed by the veteran and serviced by the institution, and

(2) from the educational institution or training establishment, a certification or an endorsement on the veteran's certificate,

that such veteran was enrolled in and pursuing a course of education or training during such period, and, in the case of an institution furnishing education or training to a veteran exclusively by correspondence, a certification, or an endorsement on the veteran's certificate, as to the number of lessons completed by the veteran and serviced by the institution.

Education and training allowances shall, insofar as practicable, be paid within 20 days after receipt by the Administrator of the certifications required by this subsection.

Computation of education and training allowances

SEC. 232. (a) The education and training allowance of an eligible veteran who is pursuing a program of education or training in an educational institution and is not entitled to receive an education and training allowance under subsection (b), (c), (d), (e), or (f) shall be computed as follows:

(1) If such program is pursued on a full-time basis, such allowance shall be computed at the rate of \$110 per month, if the veteran has no dependent, or at the rate of \$150 per month, if he has one or more dependents.

(2) If such program is pursued on a three-quarters time basis, such allowance shall be computed at the rate of \$30 per month, if the veteran has no dependent, or at the rate of \$110 per month, if he has one or more dependents.

(3) If such program is pursued on a half-time basis, such allowance shall be computed at the rate of \$50 per month, if the veteran has no dependent, or at the rate of \$70 per month, if he has one or more dependents.

(b) The education and training allowance of an eligible veteran who is pursuing a full-time program of education and training which consists of institutional courses and on-the-job training, with the on-the-job training portion of the program being strictly supplemental to the institutional portion, shall be computed at the rate of (1) \$90 per month, if he has no dependent, or (2) \$120 per month, if he has one or more dependents.

(c) The education and training allowance of an eligible veteran pursuing apprentice or other training on the job shall be computed at the rate of (1) \$70 per month, if he has no dependent, or (2) \$95 per month, if he has one or more dependents; except that his education and training allowance shall be reduced at the end of each 4-month period as his program progresses by an amount which bears the same ratio to the basic education and training allowance as 4 months bears to the total duration of his apprentice or other training on the job; but in no case shall the Administrator pay an education and training allowance under this subsection in an amount which, when added to the compensation to be paid to the veteran, in accordance with his approved training program, for productive labor performed as a part of his course, would exceed the rate of (1) \$225 per month, if he has no dependent, or (2) \$300 per month, if he has one or more dependents. For the purpose of computing allowances under this subsection, the duration of the training of an eligible veteran shall be the period specified in the approved application as the period during which he may receive an education and training allowance for such training, plus such additional period, if any, as is necessary to make the number of months of such training a multiple of four.

(d) The education and training allowance of an eligible veteran pursuing institutional on-farm training shall be computed at the rate of (1) \$95 per month, if he has no dependent, or (2) \$120 per month, if he has one or more dependents; except that his edu-

cation and training allowance shall be reduced at the end of each 4-month period as his program progresses by an amount which bears the same ratio to \$65 per month, if the veteran has no dependent, or \$90 per month, if he has one or more dependents, as 4 months bears to the total duration of such veteran's institutional on-farm training. For the purpose of computing allowances under this subsection, the duration of the training of an eligible veteran shall be the period specified in the approved application as the period during which he may receive an education and training allowance for such training, plus such additional period, if any, as is necessary to make the number of such months of such training a multiple of four.

(e) The education and training allowance of an eligible veteran pursuing a program of education or training exclusively by correspondence shall be computed on the basis of the established charge which the institution requires nonveterans to pay for the course or courses pursued by the eligible veteran. Such allowance shall be paid quarterly on a pro-rata basis for the lessons completed by the veteran and serviced by the institution, as certified by the institution.

(f) The education and training allowance of an eligible veteran who is pursuing a program of education or training under this title in an educational institution of a less-than-half-time basis shall be computed at the rate of (1) the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same course to pay, or (2) \$110 per month for a full-time course, whichever is the lesser.

(g) Each eligible veteran who is pursuing an approved course of flight training shall be paid an education and training allowance to be computed at the rate of 75 percent of the established charge which similarly circumstanced nonveterans enrolled in the same flight course are required to pay for tuition for the course. If such veteran's program of education or training consists exclusively of flight training, he shall not be paid an education and training allowance under one of the preceding subsections of this section; if his program of education or training consists of flight training and other education or training, the allowance payable under this subsection shall be in addition to any education and training allowance payable to him under one of the preceding subsections of this section for education or training other than flight training. Such allowance shall be paid monthly upon receipt of certification from the eligible veteran and the institution as to the actual flight training received by the veteran. In each such case the eligible veteran's period of entitlement shall be charged (in addition to any charge made against his entitlement by reason of education or training other than flight training) with 1 day for each \$1.25 which is paid to the veteran as an education and training allowance for such course.

(h) No eligible veteran shall be paid an education and training allowance under this title for any period during which (1) he is enrolled in and pursuing a course of education or training paid for by the United States under any provision of law other than this title, where the payment of such allowance would constitute a duplication of benefits paid to the veteran from the Federal Treasury, or (2) he is pursuing a course of apprentice or other training on the job, a course of institutional on-farm training, or a course of education and training described in subsection (b), on a less than full-time basis.

Full-time courses

SEC. 233. (a) For the purposes of this title, (1) an institutional trade or technical course offered on a clock-hour basis below the col-

lege level involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of 30 hours per week of attendance is required with not more than 2½ hours of rest periods per week allowed, (2) an institutional course offered on a clock-hour basis below the college level in which theoretical or class room instruction predominates shall be considered a full-time course when a minimum of 25 hours per week net of instruction is required and (3) an institutional undergraduate course offered by a college or university on a quarter or semester-hour basis for which credit is granted toward a standard college degree shall be considered a full-time course when a minimum of 14 semester hours or its equivalent is required.

(b) The Administrator shall define full-time training in the case of all types of courses of education or training other than institutional on-farm training and the types of courses referred to in subsection (a).

Overcharges by educational institutions

SEC. 234. The Administrator shall, if he finds that an institution has charged or received for any eligible veteran any amount in excess of the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same course to pay, disapprove such educational institution for the enrollment of any veteran not already enrolled therein, except that, in the case of a tax-supported public educational institution which does not have established charges for tuition and fees which it requires nonveteran residents to pay, such institution may charge and receive from each eligible veteran who is a resident an amount equal to the estimated cost of teaching personnel and supplies for instruction attributable to such veteran, but in no event to exceed the rate of \$31 per month for a full-time course.

PART V—STATE APPROVING AGENCIES

Designation

SEC. 241. (a) The chief executive of each State is requested to create or designate a State department or agency as the "State approving agency" for his State for the purposes of this title.

(b) (1) In the event the chief executive of any State fails or declines to create or designate a State approving agency, the provisions of this title which refer to the State approving agency shall, with respect to such State, be deemed to refer to the Commissioner.

(2) In the case of courses subject to approval by the Commissioner under section 242, the provisions of this title which refer to a State approving agency shall be deemed to refer to the Commissioner.

Approval of courses

SEC. 242. (a) An eligible veteran shall receive the benefits of this title while enrolled in a course of education or training offered by an educational institution or training establishment only if such course is approved by the State approving agency for the State where such educational institution or training establishment is situated or by the Commissioner. Approval of courses by State approving agencies shall be in accordance with the provisions of this title and such other regulations and policies as the State approving agency may adopt. Each State approving agency shall furnish the Administrator with a current list of educational institutions and training establishments, specifying courses which it has approved, and, in addition to such list, it shall furnish such other information to the Administrator as it and the Administrator may determine to be necessary to carry out the purposes of this title. Each State approving agency shall notify the Administrator of the

disapproval of any course previously approved and shall set forth the reasons for such disapproval.

(b) The Commissioner shall be responsible for the approval of courses of education or training offered by any agency of the Federal Government authorized under other laws to supervise such education or training. The Commissioner may approve any course in any other educational institution or training establishment in accordance with the provisions of this title.

Cooperation

SEC. 243. (a) The Administrator and each State approving agency shall take cognizance of the fact that definite duties, functions, and responsibilities are conferred upon the Administrator and each State approving agency under the veterans' educational programs. To assure that such programs are effectively and efficiently administered, the cooperation of the Administrator and the State approving agencies is essential. It is necessary to establish an exchange of information pertaining to activities of educational institutions and training establishments, and particular attention should be given to the enforcement of approval standards, enforcement of wage and income limitations, enforcement of enrollment restrictions, and fraudulent and other criminal activities on the part of persons connected with educational institutions and training establishments in which veterans are enrolled under this title.

(b) The Administrator will furnish the State approving agencies with copies of such Veterans' Administration informational material as may aid them in carrying out this title.

Use of Office of Education and other Federal agencies

SEC. 244. (a) In carrying out his functions under this title, the Administrator may utilize the facilities and services of any other Federal department or agency. The Administrator shall utilize the services of the Office of Education in developing cooperative agreements between the Administrator and State and local agencies relating to the approval of courses of education or training as provided for in section 245, in reviewing the plan of operations of State approving agencies under such agreements, and in rendering technical assistance to such State and local agencies in developing and improving policies, standards, and legislation in connection with their duties under this title.

(b) Any such utilization shall be pursuant to proper agreement with the Federal department or agency concerned; and payment to cover the cost thereof shall (except in the case of the Office of Education) be made either in advance or by way of reimbursement, as may be provided in such agreement. Funds necessary to enable the Office of Education to carry out its functions under this title are authorized to be appropriated directly to such Office.

Reimbursement of expenses

SEC. 245. The Administrator is authorized to enter into contracts or agreements with State and local agencies to pay such State and local agencies for reasonable and necessary expenses of salary and travel incurred by employees of such agencies in (1) rendering necessary services in ascertaining the qualifications of educational institutions and training establishments for furnishing courses of education or training to eligible veterans under this title, and in the supervision of such educational institutions and training establishments, and (2) furnishing, at the request of the Administrator, any other services in connection with this title. Each such contract or agreement shall be conditioned upon compliance with the standards and provisions of this title.

PART VI—APPROVAL OF COURSES OF EDUCATION AND TRAINING

Apprentice or other training on the job

SEC. 251. (a) Apprentice or other training on the job shall consist of courses offered by training establishments whenever such courses of training are furnished in accordance with the provisions of this section. Any training establishment desiring to furnish a course of apprentice or other training on the job shall submit to the appropriate State approving agency a written application setting forth the course of training for each job for which an eligible veteran is to be trained. The written application covering the course of training shall include the following:

(1) Title and description of the specific job objective for which the eligible veteran is to be trained;

(2) The length of the training period;

(3) A schedule listing various operations for major kinds of work or tasks to be learned and showing for each, job operations or work, tasks to be performed, and the approximate length of time to be spent on each operation or task;

(4) The wage or salary to be paid at the beginning of the course of training, at each successive step in the course, and at the completion of training;

(5) The entrance wage or salary paid by the establishment to employees already trained in the kind of work for which the veteran is to be trained; and

(6) The number of hours of supplemental related instruction required.

(b) The appropriate State approving agency may approve a course of apprentice or other training on the job specified in an application submitted by a training establishment in accordance with subsection (a) if such training establishment is found upon investigation to have met the following criteria:

(1) The training content of the course is adequate to qualify the eligible veteran for appointment to the job for which he is to be trained.

(2) There is reasonable certainty that the job for which the eligible veteran is to be trained will be available to him at the end of the training period.

(3) The job is one in which progression and appointment to the next higher classification are based upon skills learned through organized training on the job and not on such factors as length of service and normal turn-over.

(4) The wages to be paid the eligible veteran for each successive period of training are not less than those customarily paid in the training establishment and in the community to a learner in the same job who is not a veteran.

(5) The job customarily requires a period of training of not less than 3 months and not more than 2 years of full-time training, except that this provision shall not apply to apprentice training.

(6) The length of the training period is no longer than that customarily required by the training establishment and other training establishments in the community to provide an eligible veteran with the required skills, arrange for the acquiring of job knowledge, technical information, and other facts which the eligible veteran will need to learn in order to become competent on the job for which he is being trained.

(7) Provision is made for related instruction for the individual eligible veteran who may need it.

(8) There is in the training establishment adequate space, equipment, instructional material, and instructor personnel to provide satisfactory training on the job.

(9) Adequate records are kept to show the progress made by each eligible veteran toward his job objective.

(10) Appropriate credit is given the eligible veteran for previous training and job experience, whether in the military service or elsewhere, his beginning wage adjusted to the level to which such credit advances him and his training period shortened accordingly and provision is made for certification by the training establishment that such credit has been granted and the beginning wage adjusted accordingly. No course of training will be considered bona fide if given to an eligible veteran who is already qualified by training and experience for the job objective.

(11) A signed copy of the training agreement for each eligible veteran, including the training program and wage scale as approved by the State approving agency, is provided to the veteran and to the Administrator and the State approving agency by the employer.

(12) Upon completion of the course of training furnished by the training establishment the eligible veteran is given a certificate by the employer indicating the length and type of training provided and that the eligible veteran has completed the course of training on the job satisfactorily.

(13) That the course meets such other criteria as may be established by the State approving agency.

Institutional on-farm training

SEC. 252. (a) An eligible veteran shall be entitled to the benefits of this title while enrolled in a course of full-time institutional on-farm training which has been approved by the appropriate State approving agency in accordance with the provisions of this section.

(b) The State approving agency may approve a course of institutional on-farm training when it satisfies the following requirements.

(1) The course combines organized group instruction in agricultural and related subjects of at least 200 hours per year (and of at least 8 hours each month) at an educational institution, with supervised work experience on a farm or other agricultural establishment.

(2) The eligible veteran will perform a part of such course on a farm or other agricultural establishment under his control.

(3) The course is developed with due consideration to the size and character of the farm or other agricultural establishment on which the eligible veteran will receive his supervised work experience and to the need of such eligible veteran, in the type of farming for which he is training, for proficiency in planning, producing, marketing, farm mechanics, conservation of resources, food conservation, farm financing, farming management, and the keeping of farm and home accounts.

(4) The eligible veteran will receive not less than 100 hours of individual instruction per year, not less than 50 hours of which shall be on such farm or other agricultural establishment (with at least two visits by the instructor to such farm each month). Such individual instruction shall be given by the instructor responsible for the veteran's institutional instruction and shall include instruction and home-study assignments in the preparation of budgets, inventories, and statements showing the production, use on the farm, and sale of crops, livestock, and livestock products.

(5) The eligible veteran will be assured of control of such farm or other agricultural establishment (whether by ownership, lease, management agreement, or other tenure arrangement) until the completion of his course.

(6) Such farm or other agricultural establishment shall be of a size and character which (A) will, together with the group-instruction part of the course, occupy the full

time of the eligible veteran, (B) will permit instruction in all aspects of the management of the farm or other agricultural establishment of the type for which the eligible veteran is being trained, and will provide the eligible veteran an opportunity to apply to the operation of his farm or other agricultural establishment the major portion of the farm practices taught in the group instruction part of the course, and (C) will assure him a satisfactory income for a reasonable living under normal conditions at least by the end of his course.

(7) Provision shall be made for certification by the institution and the veteran that the training offered does not repeat or duplicate training previously received by the veteran.

(8) The institutional on-farm training meets such other fair and reasonable standards as may be established by the State-approving agency.

Approval of accredited courses

SEC. 253. (a) A State-approving agency may approve the courses offered by an educational institution when—

(1) such courses have been accredited and approved by a nationally recognized accrediting agency or association;

(2) credit for such course is approved by the State department of education for credit toward a high-school diploma;

(3) such courses are conducted under the act of February 23, 1917, as amended (39 Stat. 927), or the Vocational Education Act of 1946; or

(4) such courses are accepted by the State department of education for credit for a teacher's certificate or a teacher's degree.

For the purposes of this title the Commissioner shall publish a list of nationally recognized accrediting agencies and associations which he determines to be reliable authority as to the quality of training offered by an educational institution and the State approving agencies may, upon concurrence, utilize the accreditation of such accrediting associations or agencies for approval of the courses specifically accredited and approved by such accrediting association or agency. In making application for approval, the institution shall transmit to the State-approving agency copies of its catalog or bulletin.

(b) As a condition to approval under this section, the State-approving agency must find that adequate records are kept by the educational institution to show the progress of each eligible veteran. The State-approving agency must also find that the educational institution maintains a written record of the previous education and training of the veteran and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the veteran and the Administrator so notified.

Approval of nonaccredited courses

SEC. 254. (a) No course of education or training (other than a course of institutional on-farm training) which has not been approved by a State-approving agency pursuant to section 253, which is offered by a public or private, profit or nonprofit, educational institution shall be approved for the purposes of this title unless the educational institution offering such course submits to the appropriate State-approving agency a written application for approval of such course in accordance with the provisions of this title.

(b) Such application shall be accompanied by not less than two copies of the current catalog or bulletin which is certified as true and correct in content and policy by an authorized owner or official and includes the following:

(1) Identifying data, such as volume number and date of publication;

(2) Names of the institution and its governing body, officials and faculty;

(3) A calendar of the institution showing legal holidays, beginning and ending date of each quarter, term, or semester, and other important dates;

(4) Institution policy and regulations on enrollment with respect to enrollment dates and specific entrance requirements for each course;

(5) Institution policy and regulations relative to leave, absences, class cuts, make-up work, tardiness and interruptions for unsatisfactory attendance;

(6) Institution policy and regulations relative to standards or progress required of the student by the institution (this policy will define the grading system of the institution, the minimum grades considered satisfactory, conditions for interruption for unsatisfactory grades or progress and a description of the probationary period, if any, allowed by the institution, and conditions of reentrance for those students dismissed for unsatisfactory progress. A statement will be made regarding progress records kept by the institution and furnished the student);

(7) Institution policy and regulations relating to student conduct and conditions for dismissal for unsatisfactory conduct;

(8) Detailed schedule of fees, charges for tuition, books, supplies, tools, student activities, laboratory fees, service charges, rentals, deposits, and all other charges;

(9) Policy and regulations of the institution relative to the refund of the unused portion of tuition, fees, and other charges in the event the student does not enter the course or withdraws or is discontinued therefrom;

(10) A description of the available space, facilities, and equipment;

(11) A course outline for each course for which approval is requested, showing subjects or units in the course, type of work or skill to be learned, and approximate time and clock hours to be spent on each subject or unit; and

(12) Policy and regulations of the institution relative to granting credit for previous educational training.

(c) The appropriate State approving agency may approve the application of such institution when the institution and its nonaccredited courses are found upon investigation to have met the following criteria:

(1) The courses, curriculum, and instruction are consistent in quality, content, and length with similar courses in public schools and other private schools in the State, with recognized accepted standards.

(2) There is in the institution adequate space, equipment, instructional material, and instructor personnel to provide training of good quality.

(3) Educational and experience qualifications of directors, administrators, and instructors are adequate.

(4) The institution maintains a written record of the previous education and training of the veteran and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the veteran and the Administrator so notified.

(5) A copy of the course outline, schedule of tuition, fees, and other charges, regulations pertaining to absences, grading policy, and rules of operation and conduct will be furnished the veteran upon enrollment.

(6) Upon completion of training, the veteran is given a certificate by the institution indicating the approved course and indicating that training was satisfactorily completed.

(7) Adequate records as prescribed by the State approving agency are kept to show attendance and progress or grades, and satisfactory standards relating to attendance, progress, and conduct are enforced.

(8) The institution complies with all local, city, county, municipal, State, and Federal regulations, such as fire codes, building and sanitation codes. The State approving agency may require such evidence of compliance as is deemed necessary.

(9) The institution is financially sound and capable of fulfilling its commitments for training.

(10) The institution does not utilize advertising of any type which is erroneous or misleading, either by actual statement, omission, or intimation. The institution shall not be deemed to have met this requirement until the State approving agency (1) has ascertained from the Federal Trade Commission whether the Commission has issued an order to the institution to cease and desist from any act or practice, and (2) has, if such an order has been issued, given due weight to that fact.

(11) The institution does not exceed its enrollment limitations as established by the State approving agency.

(12) The institution's administrators, directors, owners, and instructors are of good reputation and character.

(13) The institution has and maintains a policy for the refund of the unused portion of tuition, fees, and other charges in the event the student fails to enter the course or withdraws or is discontinued therefrom at any time prior to completion and such policy must provide that the amount charged to the student for tuition, fees, and other charges for a portion of the course shall not exceed the approximate pro rata portion of the total charges for tuition, fees, and other charges that the length of the completed portion of the course bears to its total length.

(14) Such additional criteria as may be deemed necessary by the State approving agency.

Notice of approval of courses

SEC. 255. The State approving agency, upon determining that an educational institution has complied with all the requirements of this title, will issue a letter to such institution setting forth the courses which have been approved for the purposes of this title, and will furnish an official copy of such letter and any subsequent amendments to the Administrator. The letter of approval shall be accompanied by a copy of the catalog or bulletin of the institution, as approved by the State approving agency, and shall contain the following information:

(1) date of letter and effective date of approval of courses;

(2) proper address and name of each educational institution or training establishment;

(3) authority for approval and conditions of approval, referring specifically to the approved catalog or bulletin published by the educational institution;

(4) name of each course approved;

(5) where applicable, enrollment limitations such as maximum numbers authorized and student-teacher ratio;

(6) signature of responsible official of State approving agency; and

(7) such other fair and reasonable provisions as are considered necessary by the appropriate State approving agency.

Disapproval of courses and discontinuance of allowances

SEC. 256. (a) Any course approved for the purposes of this title which fails to meet any of the requirements of this title shall be immediately disapproved by the appropriate State approving agency. An educa-

tional institution or training establishment which has its courses disapproved by a State approving agency will be notified of such disapproval by a registered letter of notification and a return receipt secured.

(b) The Administrator may discontinue the education and training allowance of any eligible veteran if he finds that the course of education or training in which such veteran is enrolled fails to meet any of the requirements of this title or if he finds that the educational institution or training establishment offering such course has violated any provision of this title or fails to meet any of its requirements.

(c) Each State approving agency shall notify the Administrator of each course which it has disapproved under this section. The Administrator shall notify the State approving agency of his disapproval of any educational institution or training establishment under part VII of Veterans Regulation No. 1 (a), as amended.

PART VII—MISCELLANEOUS PROVISIONS

Authority and duties of Administrator

SEC. 261. (a) The Administrator is authorized to prescribe, promulgate, and publish such rules and regulations as are consistent with the provisions of this title and necessary to carry out its purposes. Notwithstanding the provisions of section 11 of the act of October 17, 1940, as amended (54 Stat. 1193), payments under this title shall be subject to audit and review by the General Accounting Office as provided by the Budget and Accounting Act of 1921, as amended, and the Budget and Accounting Procedures Act of 1950.

(b) The Administrator is authorized to accept uncompensated services and to enter into contracts or agreements with private or public agencies, or persons, for necessary services, incident to the administration of this title, including personal services, as he may deem practicable.

(c) The Administrator may arrange for educational and vocational guidance to persons eligible for education and training under this title and, if the Administrator requires such educational and vocational guidance, he is authorized, in his discretion, to defray, or reimburse the veteran for his traveling expenses to and from the place of advisement. At such intervals as he deems necessary, he shall make available information respecting the need for general education and for trained personnel in the various crafts, trades, and professions: *Provided*, That facilities of other Federal agencies collecting such information shall be utilized to the extent he deems practicable.

Advisory committee

SEC. 262. The Administrator shall form an advisory committee which shall be composed of persons who are eminent in the field of education and are representative of the various types of institutions and establishments furnishing education and training to veterans enrolled under this title. The Commissioner shall be an ex officio member of the advisory committee. The Administrator shall advise and consult with the committee from time to time with respect to the administration of this title and the committee may make such reports and recommendations as it deems desirable to the Administrator and to the Congress.

Control by agencies of United States

SEC. 263. No department, agency, or officer of the United States, in carrying out this title, shall exercise any supervision or control, whatsoever, over any State approving agency, State educational agency, or State apprenticeship agency, or any educational institution or training establishment: *Provided*, That nothing in this section shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or control which such

department, agency, or officer is authorized, by existing provisions of law, to exercise over any Federal educational institution or training establishment, or to prevent the furnishing of education or training under this title in any institution or establishment over which supervision or control is exercised by such other department, agency, or officer under authority of existing provisions of law.

Conflicting interests

SEC. 264. (a) Every officer or employee of the Veterans' Administration or of the Office of Education, who has, while such an officer or employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or services from, any educational institution operated for profit in which an eligible veteran was pursuing a course of education or training under this title shall be immediately dismissed from his office or employment.

(b) If the Administrator finds that any person who is an officer or employee of a State approving agency has, while he was such an officer or employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or services from, an educational institution operated for profit in which an eligible veteran was pursuing a course of education or training under this title, he shall discontinue making payments under section 245 to such State approving agency unless such agency shall, without delay, take such steps as may be necessary to terminate the employment of such person and such payments shall not be resumed while such person is an officer or employee of the State approving agency, or State Department of Veterans Affairs or State Department of Education.

(c) A State approving agency shall not approve any course offered by an educational institution operated for profit and, if any such course has been approved, shall disapprove each such course, if it finds that any officer or employee of the Veterans' Administration, the Office of Education, or the State approving agency owns an interest in, or receives any wages, salary, dividends, profits, gratuities, or services from, such institution.

Reports by institutions

SEC. 265. Educational institutions and training establishments shall, without delay, report to the Administrator in the form prescribed by him, the enrollment, interruption, and termination of the education or training of each eligible veteran enrolled therein under this title.

Overpayments to veterans

SEC. 266. In any case where it is found by the Administrator that an overpayment has been made to a veteran as the result of (1) the willful or negligent failure of the educational institution or training establishment to report, as required by this title and applicable regulations, to the Veterans' Administration excessive absences from a course, or discontinuance or interruption of a course by the veteran or (2) false certification by the educational institution or training establishment, the amount of such overpayment shall constitute a liability of such institution or establishment, and may be recovered in the same manner as any other debt due the United States: *Provided*, That any amount so collected shall be reimbursed if the overpayment is recovered from the veteran. This provision shall not preclude the imposition of any civil or criminal action under this or any other statute.

Examination of records

SEC. 267. The records and accounts of educational institutions and training establishments pertaining to eligible veterans who received education or training under this title shall be available for examination by duly authorized representatives of the Government.

False or misleading statements

SEC. 268. The Administrator shall not make any payments under this title to any person found by him to have willfully submitted any false or misleading claims. In each case where the Administrator finds that an educational institution or training establishment has willfully submitted a false or misleading claim, or where a veteran, with the complicity of an educational institution or training establishment, has submitted such a claim, he shall make a complete report of the facts of the case to the appropriate State approving agency and where deemed advisable to the Attorney General of the United States for appropriate action.

Criminal penalties and forfeitures

SEC. 269. Whoever knowingly and willfully—

(1) makes or presents any false, fictitious, or fraudulent affidavit, declaration, certificate, voucher, endorsement, or paper or writing purporting to be such, concerning any claim for payment under this title, or pertaining to any matter arising under this title,

(2) makes or presents any paper required under this title on which paper a date other than the date upon which it was actually signed or acknowledged by the claimant has been willfully inserted,

(3) certifies falsely that the declarant, affiant, or witness named in such affidavit, declaration, voucher, endorsement, or other paper or writing personally appeared before him and was sworn thereto, or acknowledged the execution thereof, or

(4) accepts and converts to his own use payments for any period during which he was not actually pursuing a course of education or training under this title for which period payment was made,

shall forfeit all rights, claims, and benefits under this title and under Public Law 2, Seventy-third Congress, as amended, and, upon conviction, shall be fined not more than \$500 or imprisoned not more than six months, or both. Any person not subject to the forfeiture provisions of this section who violates this section shall be fined not more than \$5,000 or imprisoned not more than three years, or both.

Application of other laws

SEC. 270. The provisions of Public Law No. 262, Seventy-fourth Congress, approved August 12, 1935 (49 Stat. 607), as amended, and the provisions of titles II and III of Public Law No. 844, Seventy-fourth Congress, approved June 29, 1936, as amended, shall be for application under this title.

Waiver of recovery of overpayments

SEC. 271. There shall be no recovery of payments of education and training allowance made under this title from any person who, in the judgment of the Administrator, is without fault on his part and where, in the judgment of the Administrator, such recovery would defeat the purpose of benefits otherwise authorized or would be against equity and good conscience. No disbursing officer or certifying officer shall be held liable for any amount paid to any person where the recovery of such amount is waived under this section.

Information furnished by Federal Trade Commission

SEC. 272. The Federal Trade Commission shall keep all State approving agencies advised of any information coming to its attention which would be of assistance to such agencies in carrying out their duties under this title.

Effective date

SEC. 273. This title shall take effect on the date of its enactment, except that no education and training allowance shall be paid for any period prior to September 1, 1952.

TITLE III—LOANS

Persons eligible for loans

SEC. 310. Subsection (a) of section 500 of the Servicemen's Readjustment Act of 1944, as amended, is amended—

(1) by inserting after "war" in the first sentence the following: ", or at any time on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress,";

(2) by inserting before the period at the end of the first sentence the following: ": Provided, That any person who is eligible for the benefits of this title by virtue of active service prior to June 27, 1950, or is the owner of property acquired through benefits accruing for prior service, shall not be eligible for additional benefits under this title by reason of active service on or after June 27, 1950: Provided further, That any guaranty entitlement used prior to reentry into service as to which the Administrator has incurred no loss and is no longer subject to contingent liability shall be restored to any veteran separated from the service after June 27, 1950"; and

(3) by inserting after "war" in the third sentence the following: ", and any loan to a veteran eligible by virtue of active service on or after June 27, 1950, if made within 10 years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress,".

Power of Administrator to examine loans

SEC. 302. Section 500 of the Servicemen's Readjustment Act of 1944, as amended, is amended, by adding at the end thereof the following new subsection:

"(f) Notwithstanding the provisions in this title respecting automatically guaranteed loans, the Administrator may at any time upon 30 days' notice require loans to be made by any lender or class of lenders to be submitted for prior approval, and no guaranty or insurance liability shall exist in respect to such loans unless evidence of guaranty or insurance is issued by the Administrator."

Additional requirement for guaranteed loans

SEC. 303. Section 501 (a) (2) of the Servicemen's Readjustment Act of 1944, as amended, is amended by inserting after "expenses" the following: ", and the veteran is a satisfactory credit risk".

Standards of planning and construction; warranties; substantial deficiencies in housing

SEC. 304. Section 504 of the Servicemen's Readjustment Act of 1944, as amended, is amended by striking out subsection (b) and inserting in lieu thereof the following new subsections:

"(b) No loan for the purchase or construction of residential property on which construction is begun subsequent to 60 days from the date the Veterans' Readjustment Assistance Act of 1952 becomes effective shall be financed through the assistance of the provisions of this title unless the property meets or exceeds minimum requirements for planning, construction, and general acceptability prescribed by the Administrator: Provided, That subsection 504 (b) as originally enacted shall continue to be applicable to construction begun prior to the end of such 60-day period: Provided further, That this subsection shall not apply to a loan for the purchase of residential property the construction of which was completed more than 1 year prior to the making of such loan.

"(c) The seller of a newly constructed dwelling unit which is sold for initial occupancy to any person who meets the eligibility requirements of section 500 (a) or section 1506 of this act, as amended, with the

aid of financing guaranteed or insured by an agency or instrumentality of the Federal Government, and such other person as may be required by such agency or instrumentality to become warrantor, shall be deemed to have expressly warranted to such purchaser that the dwelling is constructed in substantial conformity with the plans and specifications on which such agency or instrumentality based its valuation of the unit or its commitment to guarantee or insure a loan to finance the construction or purchase of such unit. Such warranty shall apply only with respect to failures of performances as to which the purchaser has given written notice to the warrantor within 1 year from the date of initial occupancy.

"(d) The Administrator shall have the right to refuse to appraise any dwelling or housing project owned, sponsored, or to be constructed by any person identified with housing previously sold to veterans under this title as to which substantial deficiencies have been discovered, or as to which there has been a failure or indicated inability to discharge contractual liabilities to veterans, or as to which it is ascertained that the type of contract of sale or the methods or practices pursued in relation to the marketing of such properties were unfair or unduly prejudicial to veteran purchasers."

Eligibility for loans to refinance existing liability

SEC. 305. Section 507 (1) of the Servicemen's Readjustment Act of 1944, as amended, is amended by inserting before the semicolon at the end thereof the following: "or, in the case of a veteran eligible by virtue of active service on or after June 27, 1950, not later than 10 years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress."

Expiration of authority to make direct loans

SEC. 306. Section 512 (b) of the Servicemen's Readjustment Act of 1944, as amended, is amended by striking out "(D)" and inserting in lieu thereof "(C)" and by inserting before the period at the end thereof the following: ", except that if a commitment to make such a loan was issued by the Administrator prior to that date the loan may be completed subsequent to such date."

Refusal to guarantee or insure loans in certain cases

SEC. 307. Title III of the Servicemen's Readjustment Act of 1944, as amended, is amended by adding at the end thereof the following new section:

"SEC. 514. Whenever the Administrator finds with respect to loans guaranteed or insured under this title that any lender or holder has failed to maintain adequate loan accounting records, or to demonstrate proper ability to service loans adequately or to exercise proper credit judgment or has willfully or negligently engaged in practices otherwise detrimental to the interest of veterans or of the Government, he may refuse either temporarily or permanently to guarantee or insure any loans made by such lender or holder or bar such lender or holder from acquiring loans guaranteed or insured under this title: Provided, That the Administrator shall not refuse to pay a guarantee on loans theretofore entered into in good faith between the veteran and the lending institution."

TITLE IV—OLD-AGE AND SURVIVORS' INSURANCE
Wage credits for veterans of Korean conflict

SEC. 401. (a) Section 217 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(e) (1) For purposes of determining entitlement to and the amount of any monthly benefit or lump-sum death payment payable under this title on the basis of the wages and self-employment income of any veteran

of active military or naval service on or after June 27, 1950, such veteran shall be deemed to have been paid wages (in addition to the wages, if any, actually paid to him) of \$160 in each month during any part of which he served in the active military or naval service of the United States on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress. This subsection shall not be applicable in the case of any monthly benefit or lump-sum death payment if—

“(A) a larger such benefit or payment, as the case may be, would be payable without its application; or

“(B) a benefit (other than a benefit payable in a lump sum unless it is a commutation of, or a substitute for, periodic payments) which is based, in whole or in part, upon the active military or naval service of such veteran on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, is determined by any agency or wholly owned instrumentality of the United States (other than the Veterans' Administration) to be payable by it under any other law of the United States or under a system established by such agency or instrumentality.

The provisions of clause (B) shall not be applicable in the case of any monthly benefit or lump-sum death payment under this title if its application would reduce the primary insurance amount (as computed under section 215 prior to any recomputation thereof pursuant to subsection (f) of such section) of the individual on whose wages and self-employment income such benefit or payment is based by \$0.50 or less.

“(2) Upon application for benefits or a lump-sum death payment on the basis of the wages and self-employment income of any veteran of active military or naval service on or after June 27, 1950, the Federal Security Administrator shall make a decision without regard to clause (B) of paragraph (1) of this subsection unless he has been notified by some other agency or instrumentality of the United States that, on the basis of the military or naval service of such veteran on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, a benefit described in clause (B) of paragraph (1) has been determined by such agency or instrumentality to be payable by it. If he has not been so notified, the Federal Security Administrator shall then ascertain whether some other agency or wholly owned instrumentality of the United States has decided that a benefit described in clause (B) of paragraph (1) is payable by it. If any such agency or instrumentality has decided, or thereafter decides, that such a benefit is payable by it, it shall so notify the Federal Security Administrator, and the Administrator shall certify no further benefits for payment or shall recompute the amount of any further benefits payable, as may be required by paragraph (1) of this subsection.

“(3) Any agency or wholly owned instrumentality of the United States which is authorized by any law of the United States to pay benefits, or has a system of benefits which are based, in whole or in part on military or naval service on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, shall, at the request of the Federal Security Administrator, certify to him, with respect to any veteran of active military or naval service on or after June 27, 1950, such information as the Administrator deems necessary to carry out his functions under paragraph (2) of this subsection.

“(4) There are hereby authorized to be appropriated to the Trust Fund from time

to time, as benefits which include service to which this subsection is applicable become payable under this title, such sums as the Administrator estimates to be necessary to meet the additional costs, resulting from this subsection, of such benefits (including lump-sum death payments). Such estimates shall be arrived at through the use of appropriate accounting, statistical, sampling, or other methods.

“(5) For the purposes of this subsection, the term ‘veteran’ means any individual who served in the active military or naval service of the United States at any time on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, and who, if discharged or released therefrom, was so discharged or released under conditions other than dishonorable after active service of 90 days or more or by reason of a disability or injury incurred or aggravated in service in line of duty; but such term shall not include any individual who died while in the active military or naval service of the United States if his death was inflicted (other than by an enemy of the United States) as lawful punishment for a military or naval offense.”

(b) Section 205 (c) of such act is amended by striking out “section 217 (a)” and inserting in lieu thereof “subsection (a) or (e) of section 217.”

(c) (1) The amendments made by subsections (a) and (b) shall be applicable only with respect to monthly benefits under section 202 of the Social Security Act for months after, and with respect to lump-sum death payments in the case of deaths occurring after, the month following the month in which this act is enacted, except that, in the case of any individual who is entitled, on the basis of the wages and self-employment income of any individual to whom section 217 (e) of the Social Security Act applies, to monthly benefits under such section 202 for the month following the month in which this act is enacted, such amendments shall be applicable (A) only if an application for recomputation by reason of the amendments is filed by such individual, or any other individual, entitled to benefits under such section 202 on the basis of such wages and self-employment income, and (B) only with respect to such benefits for months after whichever of the following is the later: the first month following the month in which this act is enacted or the seventh month before the month in which such application was filed. Recomputations of benefits as required to carry out the provisions of this paragraph shall be made notwithstanding the provisions of section 215 (f) (1) of the Social Security Act; but no such recomputation shall be regarded as a recomputation for purposes of section 215 (f) of the Social Security Act.

(2) In the case of any veteran (as defined in section 217 (e) (5) of the Social Security Act) who died prior to the enactment of this act, the time within which proof of support may be filed under subsection (f) or (h) of section 202 of the Social Security Act shall be 2 years after the date of enactment of this act.

Lump-sum death payments for reinterment of deceased veterans

SEC. 402. (a) Section 101 (d) of the Social Security Act amendments of 1950 is amended by changing the period at the end thereof to a comma and adding: “and except that in the case of any individual who died outside the 48 States and the District of Columbia on or after June 27, 1950, and prior to September 1950, whose death occurred while he was in the active military or naval service of the United States, and who is returned to any of such States, the District of Columbia, Alaska, Hawaii, Puerto Rico, or the Virgin Islands for interment or reinterment, the last sentence of section 202 (g)

of the Social Security Act as in effect prior to the enactment of this act shall not prevent payment to any person under the second sentence thereof if application for a lump-sum death payment under such section with respect to such deceased individual is filed by or on behalf of such person (whether or not legally competent) prior to the expiration of 2 years after the date of such interment or reinterment.”

(b) In the case of any individual who died outside the 48 States and the District of Columbia after August 1950 and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, whose death occurred while he was in the active military or naval service of the United States, and who is returned to any of such States, the District of Columbia, Alaska, Hawaii, Puerto Rico, or the Virgin Islands for interment or reinterment, the last sentence of section 202 (i) of the Social Security Act shall not prevent payment to any person under the second sentence thereof if application for a lump-sum death payment with respect to such deceased individual is filed under such section by or on behalf of such person (whether or not legally competent) prior to the expiration of 2 years after the date of such interment or reinterment.

TITLE V—MUSTERING-OUT PAYMENTS

Eligibility for payments

SEC. 501. Mustering-out pay as provided in this title is designed to be in lieu of any provision for unemployment insurance or readjustment (unemployment) allowances except that it is not the purpose to impair any rights to unemployment insurance which may be afforded under existing laws.

SEC. 502. (a) Except as provided in subsection (b) of this section, each member of the Armed Forces who shall have been engaged in active service on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, and who is discharged or relieved from active service under honorable conditions, shall be eligible to receive mustering-out payment.

(b) No mustering-out payment shall be made to—

(1) any member of the Armed Forces who, at the time of discharge or relief from active service, is in a pay grade higher than O-3;

(2) any member of the Armed Forces who is retired or separated therefrom under provisions of law other than title IV of the Career Compensation Act of 1949;

(3) any member of the Armed Forces for any active service performed prior to the date of his discharge or relief from active service on his own initiative to accept employment or, in the case of any member so relieved from active service, for any active service performed prior to the date of his discharge while in such inactive status, unless he has served outside the continental limits of the United States or in Alaska;

(4) any member of the Armed Forces whose total period of service has been as a student assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians;

(5) any member of the Armed Forces for any active service performed prior to the date of his discharge from such forces for the purpose of entering the United States Military Academy, the United States Naval Academy, or the United States Coast Guard Academy;

(6) any member of the Armed Forces whose sole service has been as a cadet at the United States Military Academy, or the United States Coast Guard Academy, or as a midshipman at the United States Naval Academy, or in a preparatory school after nomination as a principal, alternate, or can-

didate for admission to any of said academies; and

(7) any commissioned officer unless he is discharged or relieved from active service within 3 years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress.

Determination of payments

SEC. 503. (a) Mustering-out payment for persons eligible under section 502 shall be in sums as follows:

(1) \$300 for persons who, having performed active service for 60 days or more, have served outside the continental limits of the United States or in Alaska.

(2) \$200 for persons who, having performed active service for 60 days or more, have served no part thereof outside the continental limits of the United States or in Alaska.

(3) \$100 for persons who have performed active service for less than 60 days.

(b) Each person eligible to receive mustering-out payment under subsection (a) (1) shall receive one-third of the stipulated amount at the time of final discharge or ultimate relief from active service, or at the option of the person so eligible, at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces; and the remaining amount of such payment shall be paid in two equal installments—1 month and 2 months, respectively, from the date of the original payment. Each person eligible to receive mustering-out payment under subsection (a) (2) shall receive one-half of the stipulated amount at the time of final discharge or ultimate relief from active service or, at the option of the person so eligible, at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces; and the remaining amount of such payment shall be paid 1 month from the date of the original payment. Each person eligible to receive mustering-out payment under subsection (a) (3) shall receive the stipulated amount at the time of such discharge or relief from active service or, at the option of the person so eligible, at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces. A person entitled to receive the first installment of the mustering-out payment at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces shall, at his election, receive the whole of such payment in one lump sum, rather than in installments.

Time limitations

SEC. 504. Any member of the Armed Forces entitled to mustering-out payment who shall have been discharged or relieved from active service under honorable conditions before the effective date of this title shall, if application therefor is made within 2 years after the date of enactment of this title, be paid such mustering-out payment by the Department of the Army, Navy, or Air Force, or the Treasury Department, as the case may be, beginning within 1 month after application has been received and approved by such department. No member of the Armed Forces shall receive mustering-out payment under this title more than once, and such payment shall accrue and the amount thereof shall be computed as of the time of discharge for the purpose of effecting a permanent separation from the service or of ultimate relief from active service or, at the option of such member, for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces.

Deceased members

SEC. 505. If any member of the Armed Forces, after his discharge or relief from ac-

tive service, shall die before receiving any portion of or the full amount of his mustering-out payment, the balance of the amount due him shall be payable, on appropriate application therefor, to his surviving spouse, if any; and if he shall leave no surviving spouse, then in equal shares to his child or children, if any; and if he shall leave no surviving spouse or child or children, then in equal shares to his surviving parents, if any. No payments under this title shall be made to any other person.

Administration of title

SEC. 506. (a) Mustering-out payments due or to become due under this title shall not be assignable and any payments made to or on account of a veteran hereunder shall be exempt from taxation, shall be exempt from the claims of creditors, including any claim of the United States, and shall not be subject to attachment, levy, or seizure by or under any legal or equitable process whatever either before or after receipt by the payee.

(b) The Secretaries of the Army, Navy, Air Force, and Treasury shall make such regulations not inconsistent with this title as may be necessary effectively to carry out the provisions thereof, and their decisions shall be final and not subject to review by any court or other Government official.

(c) The Secretaries of the Army, Navy, Air Force, and Treasury, or such subordinate officers as they may designate, are authorized to make direct payment to survivors over 17 years of age, and to select a proper person or persons to whom mustering-out payments may be made for the use and benefit of former active members of the Armed Forces, or survivors thereof, as defined by section 505 hereof, without the necessity of appointment by judicial proceedings of a legal representative of any such former member or such survivors when, in the opinion of the respective Secretaries or their designees, the interests of persons under 17 years of age so justify, or where the former active member or his survivors is suffering from a mental disability sufficient to make direct payment not in the best interests of such person or persons. Payments made under the provisions of this subsection shall constitute a complete discharge of the obligation of the United States as provided in this title; and the selection of a proper person or persons, as provided herein, and the correctness of the amount due and paid to such person or persons shall have the same finality as that accorded decisions made pursuant to subsection (b). The provisions of this subsection shall not apply where a legal guardian or committee has been judicially appointed, except as to any payments made hereunder prior to the receipt of notice of appointment.

Definitions

SEC. 507. As used in this title—

(a) The term "spouse" means a lawful wife or husband.

(b) The term "child" includes (1) a legitimate child; (2) a child legally adopted; and (3) a stepchild, if, at the time of death of the member of the Armed Forces, such stepchild was a member of the deceased's household.

(c) The term "parent" includes father and mother, stepfather and stepmother, and father and mother through adoption.

(d) The term "Armed Forces" means the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard of the United States.

TITLE VI—MISCELLANEOUS

Job counseling and employment placement

SEC. 601. Section 607 of title IV, Servicemen's Readjustment Act of 1944, as amended (38 U. S. C. 695f), is hereby amended to read as follows:

"Sec 607. The term 'veteran' as used in this title shall mean a person who served in the active service of the Armed Forces during a period of war in which the United States has been, or is, engaged, or during the period on or after June 27, 1950, and prior to such date as may be thereafter determined by Presidential proclamation or concurrent resolution of the Congress, and who has been discharged or released therefrom under conditions other than dishonorable."

Authorization of appropriations

SEC. 602. There are hereby authorized to be appropriated such sums as may be necessary to carry out this act.

The SPEAKER. Is a second demanded?

Mr. KEARNEY. Mr. Speaker, I demand a second.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER. The gentleman from Mississippi [Mr. RANKIN] is recognized for 20 minutes, and the gentleman from New York [Mr. KEARNEY] will be recognized for 20 minutes.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to insert at this point in the RECORD an explanation of the bill as reported by the committee.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

(The statement is as follows:)

COMMITTEE ON VETERANS' AFFAIRS,
HOUSE OF REPRESENTATIVES,
JOHN E. RANKIN, *Chairman*.
KOREAN CONFLICT SERVICEMEN'S READJUSTMENT ACT, H. R. 7656

Title: To provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date, as shall be fixed by the President or the Congress.

Mr. TEAGUE. Introduced and referred April 30, 1952.

ANALYSIS

Title I—Statement of policy

Declares as congressional policy that the veterans' education and training program created by this act is for the purpose of providing vocational readjustment and restoring lost educational opportunities to those whose educational or vocational ambitions were interrupted or impeded by reason of active service in the Armed Forces during the emergency period.

Title II—Education

1. Grants 1½ days of education or training for each day of service on or after June 27, 1950, regardless of where service was performed, up to a closing date to be determined by the President or the Congress—maximum period limited to 36 calendar months which would result in a 4-year academic college course. Person eligible under World War II program may take training under both World War II and Korean programs not to exceed 48 months.

2. The program of education or training must be initiated within 2 years after discharge and completed within 7 years after discharge.

3. Veteran may make one change in program and only one change.

4. Avocational and recreational courses may be taken if evidence is submitted that

they will be of bona fide use in pursuit of his present or contemplated business or occupation.

5. With specified exceptions, courses must have been in existence for 2 years prior to enrollment of the veteran and in the case of proprietary profit schools offering nonaccredited courses (except farm training) enrollments must include at least one-fourth nonveteran students in each course.

6. Education and training allowance is set at \$110 for a veteran enrolled in a full-time institutional course without dependent and \$150 if he has a dependent or dependents; for a three-fourths time basis, the rates are \$80 and \$110, respectively; for a half-time basis, \$50 and \$70. From this allowance the veteran must pay his tuition, books, and subsistence and meet all other costs incident to his training. These rates based on World War II average rates.

Where there is a full-time program of institutional courses and supplemental on-the-job training, the rates are \$90 and \$120 for the classes listed above.

For apprenticeship or other on-the-job training under the bill the rates are \$70 and \$95 which are subject to reduction as the course progresses plus an over-all monthly ceiling on earnings and allowances of \$225 and \$300, respectively.

For institutional on-the-farm training, the rates are \$95 and \$120 which are subject to reduction as the course progresses.

Special provisions are included as to correspondence courses, flight courses, and courses of less than half-time training.

7. Bars taking of courses by person on active duty in one of the branches of the Armed Forces.

8. Authorizes use of the Office of Education where no State approval agency is functioning, and in developing cooperative agreements with State and local agencies.

9. Bars participation in the program of Veterans' Administration employees, Office of Education, and State approval agency employees who have pecuniary interests in schools or other educational institutions which conflict with the interest of the Government.

10. Waives finality of the decisions of the Administrator of Veterans' Affairs.

11. Provides specific criminal penalties for violations of the act.

12. Creates stricter standards for approval of below college level nonaccredited courses.

Title III—Housing

Authorizes the same housing benefits for the veterans serving on or after June 27, 1950, as presently enjoyed by World War II veterans—guaranty of home loans up to 60 percent with the maximum guaranty of \$7,500 (veterans and widows of veterans with service-connected deaths); business-loan guaranty of \$2,000; and direct loans in non-metropolitan areas where private financing is not available up to \$10,000; interest rate in all cases not to exceed 4 percent. In addition, sales of property may not be financed through the assistance of this title within a 1-year period following construction, unless the property meets or exceeds the minimum requirements for planning construction and general acceptability.

Statutory warranty would be deemed to apply in favor of the veteran purchaser who is the initial occupant that the house is constructed in substantial conformity with the plans and specifications on which the Federal agency based its valuation in guaranty of the loan.

Title IV—Social Security Act amendments

Continues the \$160 per month wage credit for Korean conflict veterans, previously granted World War II veterans for the purpose of old-age and survivors insurance benefits.

Title V—Mustering-out payments

In lieu of unemployment compensation or readjustment benefits, mustering-out payments are provided: \$100 for less than 60 days of service, \$200 for more than 60 days' service, \$300 for more than 60 days' service and service overseas. (Includes all those up to and including the rank of captain in the Army and Air Force and lieutenant senior grade in the Navy.)

Title VI—Employment of veterans

Provides employment assistance to veterans of this conflict on same basis as World War II.

CALL OF THE HOUSE

Mr. FORD. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 90]

Aandahl	Chudoff	Gamble
Abbitt	Clemente	Garmatz
Addonizio	Cole, Kans.	Gary
Albert	Cole, N. Y.	Gavin
Allen, Calif.	Cooley	Goodwin
Anfuso	Corbett	Gordon
Arends	Cotton	Gore
Armstrong	Coudert	Granahan
Ayres	Crumpacker	Green
Bakewell	Curtis, Mo.	Gregory
Barden	Davis, Ga.	Gwinn
Barrett	Davis, Tenn.	Hall, Edwin
Bates, Ky.	Dawson	Arthur
Beall	Denny	Hall,
Beamer	Denton	Leonard W.
Beckworth	Dingell	Halleck
Bender	Dollinger	Hardy
Blackney	Dolliver	Hart
Blatnik	Dondero	Havener
Bow	Donohue	Hays, Ohio
Bramblett	Donovan	Heffernan
Bray	Doughton	Heller
Brehm	Doyle	Herter
Buchanan	Durham	Hess
Buckley	Eberharter	Hillings
Burdick	Evins	Hinshaw
Burton	Fallon	Hoeven
Bush	Fenton	Hoffman, Ill.
Butler	Fine	Hoffman, Mich.
Canfield	Fogarty	Holifield
Carlyle	Forand	Holmes
Carrigg	Frazier	Hope
Case	Fugate	Horan
Chatham	Fulton	Howell
Chelf	Furcolo	Hunter

Jackson, Calif.	Meador	Sasscer
Jackson, Wash.	Merrow	Schenck
James	Miller, Calif.	Scott, Hardie
Jenison	Miller, Md.	Scott,
Johnson	Miller, N. Y.	Hugh D., Jr.
Jonas	Morano	Scudder
Jones,	Morgan	Shafer
Hamilton C.	Morris	Sheehan
Jones,	Morrison	Sheppard
Woodrow W.	Morton	Short
Judd	Moulder	Sieminski
Kean	Multer	Simpson, Pa.
Kearns	Mumma	Smith, Va.
Kelley, Pa.	Murphy	Smith, Wis.
Kelly, N. Y.	O'Brien, N. Y.	Spence
Kennedy	Osmers	Stanley
Keogh	Ostertag	Stigler
Kilburn	Passman	Stockman
King, Calif.	Patterson	Sutton
King, Pa.	Philbin	Tackett
Kirwan	Phillips	Talle
Klein	Polk	Taylor
Kluczynski	Potter	Thomas
Lane	Powell	Thompson, Tex.
Lanham	Price	Vail
Latham	Prouty	Weichel
Lesinski	Redden	Welch
Lovre	Rees, Kans.	Werdel
Lyle	Ribicoff	Wharton
McCarthy	Richards	Wheeler
McConnell	Riley	Widnall
McCormack	Robeson	Wier
McGuire	Rodino	Willis
McKinnon	Rogers, Colo.	Wilson, Ind.
McMullen	Roosevelt	Wolcott
McVey	Ross	Yates
Machrowicz	Sabath	Zablocki
Mack, Ill.	Sadlak	

Mr. RANKIN. Mr. Speaker, I move that the House take a recess until tomorrow morning at 12 o'clock.

The SPEAKER. That motion is not in order.

The Clerk will call my name.

The Clerk called Mr. RAYBURN's name.

The SPEAKER. On this roll call 219 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

VETERANS' EDUCATIONAL ASSISTANCE ACT OF 1952

The SPEAKER. The gentleman from Mississippi [Mr. RANKIN] is recognized.

Mr. RANKIN. Mr. Speaker, the bill as reported to the House is a combination of a bill which I introduced, H. R. 7642, and one sponsored by the gentleman from Texas [Mr. TEAGUE], H. R. 7656.

So that the RECORD may be complete, I ask unanimous consent to insert at this point a comparison of the two bills.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

(The comparison is as follows:)

COMMITTEE ON VETERANS' AFFAIRS,
HOUSE OF REPRESENTATIVES,
JOHN E. RANKIN, Chairman.

Comparison of H. R. 7642 and H. R. 7656, Korean Conflict Servicemen's Readjustment Act

	H. R. 7642 (Mr. RANKIN)	H. R. 7656 (Mr. TEAGUE)
Title.....	"Veterans' Readjustment Assistance Act of 1952".....	"Veterans' Educational Assistance Act of 1952.".....
Coverage.....	Provides for education and training, home, farm, and business loan benefits, old age and survivors ins. credits, unemployment ins. coverage, and employment assistance.	Provides educational and training benefits only.
EDUCATIONAL AND VOCATIONAL ASSISTANCE PROVISIONS		
Definitions:		
(1) Basic service period.....	Period beginning June 27, 1950, and ending by Presidential proclamation or Congressional resolution.	Same provision.
(2) Eligible veteran.....	Active service during basic service period; discharge or release other than dishonorable; 90 days' active service or disability discharge. <i>Veteran ineligible for education and training while in active service, under both bills.</i>	Do.
(3) Program of education or training.....	Single or plural courses or subjects leading to predetermined objective.	Do.
(4) Course.....	Organized unit of subject matter.....	Do.
(5) Dependent.....	Child, dependent parent, wife, dependent husband.....	Do.
(6) Educational institution.....	All categories of schools, colleges, universities, etc.....	Do.
(7) Training establishment.....	Business or other establishment providing apprentice or other training on-job.	Do.
(8) Armed Forces.....	Army, Navy, Air Force, Marine Corps, and Coast Guard.....	Do.
(9) State.....	All States, Territories, possessions, and the District of Columbia.....	Do.
(10) Administrator.....	Administrator of Veterans' Affairs.....	Do.
(11) Commissioner.....	United States Commissioner of Education.....	Do.
Time limits.....	Initiation by Sept. 1, 1954, or 2 years after discharge, whichever later; completion 7 years after discharge or end of "emergency." Requires continuous pursuit of program on and after last date for initiation subject to right of suspension for periods not exceeding 12 consecutive months, or longer, if approved by Administrator.	Same limitations on initiation and completion of program, but no requirement of continuous training.
Entitlement.....	1½ days for each day of service up to 36 months. Entitlement ending after major part of semester or quarter is extended to termination thereof.	Same provisions.
Selection, application, and approval of programs.....	Veteran may select program leading toward predetermined objective at institution of choice. Must apply to Administrator who shall approve unless he finds veteran does not meet requirements of bill or is already qualified.	Do.
Change of program.....	One change prior to initiation limit; one change after initiation limit if no prior change and subject to approval.	Do.
Avocational and recreational courses.....	Bartending, dancing, and personality development courses prohibited. Other listed courses and additional ones found to be recreational or avocational by Administrator may be pursued only on submission of justification.	Similar but no outright prohibition of any particular course.
Minimum nonveteran enrollment.....	At least ¼ required with certain exceptions.....	At least ¼ required with certain exceptions.
Period of operation for approval.....	Course not approvable unless in operation for 3 years or more, subject to certain exceptions.	Similar provision except that the required basic period is 1 year. (Note: 2 of the exceptions refer to a 3-year period of operation.)
Institutions listed by Attorney General under Executive Order 9835.....	Enrollment or payment of allowance for any course in such an institution is barred.	Same provision.
Education and training allowance.....	Administrator would pay veteran a "package" allowance covering his tuition, subsistence, and supplies, except that in certain cases only amount covering tuition and fees to be payable. No payments direct by the Government to institution.	Same basic plan though different rate schedule.
Schedule of rates:		
Full-time instruction.....	\$90, no dependent; \$110, one dependent; \$135, more than one dependent.	\$110, no dependent; \$150, one or more dependents.
¾-time instruction.....	\$65, no dependent; \$80, one dependent; \$100, more than one dependent.	\$80, no dependent; \$110, one or more dependents.
½-time instruction.....	\$45, no dependent; \$55, one dependent; \$65, more than one dependent.	\$50, no dependent; \$70, one or more dependents.
Full-time instruction and supplemental on-job training.....	\$75, no dependent; \$90, one dependent; \$110, more than one dependent.	\$90, no dependent; \$120, one or more dependents.
Apprenticeship or other on-job training.....	\$60, no dependent; \$70, one dependent; \$85, more than one dependent.	\$70, no dependent; \$95, one or more dependents.
Institutional on-farm training.....	\$90, no dependent; \$100, one dependent; \$115, more than one dependent.	\$95, no dependent; \$120, one or more dependents.
Correspondence courses, flight training and courses of less than ½ time training.....	Special provisions apply.....	Same provisions, except higher allowance rate for less than ½ time training.
4 months' reduction formula.....	Allowances for apprentice and other on-job training and institutional on-farm training subject to reduction for each 4 months as course progresses in accordance with mathematical formula.	Similar provisions.
Income ceilings.....	On-job allowances subject to reduction when the allowances plus compensation paid to veteran for productive labor performed as part of course exceed \$225 per month if no dependent, \$275 per month if one dependent, or \$300 if more than one dependent. <i>No income ceiling for institutional training.</i>	Same provisions, except that only two ceilings are provided: \$225 per month if no dependent, or \$300 per month if one or more dependents.
Full-time courses.....	Below college trade courses with shop practice requiring 30 hours per week minimum; below college course in which theoretical or classroom instruction predominates requires a minimum of 25 hours per week; undergraduate college course requires minimum of 14 semester hours or equivalent; other full-time training to be defined by Administrator.	Same provisions.
Overcharges by institution.....	Administrator to discontinue allowance to veteran if institution charges or receives in excess of established charges for nonveterans.	Same, except that tax-supported public institution having no established charges for nonveteran residents may charge veteran resident amount equal to established cost of teaching personnel and supplies for instruction, not to exceed \$31 per month for a full-time course.
Approval of courses.....	Approval by State approving agencies and in certain instances by Commissioner of Education.	Same provisions.
Use of Federal agencies.....	Administrator may use services of other Federal agencies. Bill directs utilization of service of Office of Education in certain particulars.	Similar provisions.
Payment for certain State expenses.....	Administrator authorized to contract for payment to State and local agencies for necessary salary and travel expenses in ascertaining qualifications of institution and supervising same and furnishing other requested services.	Do.
Standards for approving courses.....	Provides detailed standards for on-the-job, on-farm, and all institutional courses (accreditation procedure employable in lieu of standards for certain established courses).	Do.
Disapproval of course and discontinuance of allowance.....	State agency to disapprove course which fails to meet requirements. Administrator authorized to discontinue allowance to veteran if course fails to meet requirements or if institution has violated any provision.	Similar provisions. Provision for Administrator to discontinue allowance refers only to a situation where the course fails to meet the statutory requirements.
Regulations and review of payments by GAO.....	Administrator authorized to issue necessary regulations. No review by GAO provided.	Similar authority to issue regulations, but finality of decision provisions of act of Oct. 17, 1940, made inapplicable to decisions of Administrator as to payments under this program.

Comparison of H. R. 7642 and H. R. 7656, Korean Conflict Servicemen's Readjustment Act—Continued

EDUCATIONAL AND VOCATIONAL ASSISTANCE PROVISIONS—continued

	H. R. 7642 (Mr. RANKIN)	H. R. 7656 (Mr. TEAGUE)
Educational and vocational guidance.....	Administrator authorized to provide such service and reimburse veteran for traveling expenses incident thereto where advisement is required by Administrator.	Same provisions.
Advisory Committee.....	Administrator authorized to form Advisory Committee composed of educators and including Commissioner of Education, ex officio.	No specific requirement for Advisory Committee.
Control by Federal agencies prohibited.....	Standard provision precluding Federal supervision or control of State agencies and institutions.	Same provisions.
Conflicts of interests.....	Employees of VA, Office of Education, or State agency having pecuniary interest in institution to be dismissed, courses disapproved by State if conflicting interests develop. Administrator may waive these provisions where no detriment indicated.	Do.
Recovery of overpayments.....	Provides for recovery from institution of overpayment of allowance to veteran resulting from (1) willful or negligent failure of institution to report excessive absence, etc., or (2) false certification by institution.	Do.
False or misleading statements.....	Administrator not to make payments to any person who has willfully submitted false or misleading claims.	Do.
Criminal penalties and forfeitures.....	Person who knowingly and willfully makes false statement or commits certain other defined acts to forfeit all rights and benefits under the program and under Public No. 2, 73d Cong., as amended, and upon conviction could be fined up to \$1,000 or imprisoned up to 1 year, or both. Person violating such provisions who is not affected by forfeiture could be fined up to \$10,000 or imprisoned up to 5 years, or both.	Do.
Waiver of overpayments.....	Contains standard provision for waiving recovery of overpayments of training allowance where Administrator finds that the person is not at fault and recovery would defeat purpose of benefits otherwise authorized or would be against equity and good conscience.	Do.
Federal Trade Commission.....	Required to keep State agencies advised of information available to FTC which might be of assistance to State agencies in carrying out their duties.	Do.
Effective date of educational and training provisions.	Effective on enactment but no education and training allowances payable for period prior to Sept. 1, 1952.	Do.

LOAN ASSISTANCE

Service group and nature of benefit.....	Extends title III of SRA (guaranty and insurance of home, farm, and business loans, and direct home loans in certain cases) to veterans of service on or after June 27, 1950, and prior to a date to be determined.	No provision.
Additional amendments to present law.....	Makes certain other amendments to title III of SRA, including (1) specific authority to require advance approval of certain loans notwithstanding automatic guaranty provision; (2) requirement that new home construction meet minimum standards for planning and general acceptability, as well as construction standards; (3) construction warranty to veteran purchaser for initial occupancy; (4) authority to refuse appraisal of housing handled by person of poor record as to dealings with veteran purchasers; and (5) authority to exclude from future loan guaranties lenders with record of dealings detrimental to veterans or Government.	Do.

OLD-AGE AND SURVIVORS INSURANCE

General nature of benefit and service covered...	Provides OASI wage credits of \$160 per month based on service on or after June 27, 1950, and prior to a date to be determined. <i>Identical in purpose to coverage given World War II veterans.</i>	No provision.
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UNEMPLOYMENT COMPENSATION

General nature and service group.....	Payments under State unemployment compensation laws to unemployed veterans of service on or after June 27, 1950, and prior to a date to be determined, on basis of military wage credits of \$160 per month. Secretary of Labor would administer Federal aspects through agreements with States and payments to States for additional cost incurred.	No provision.
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JOB ASSISTANCE

Nature of benefit and group covered.....	Extends title IV of SRA to veterans of service on or after June 27, 1950, and prior to a date to be determined. This involves assistance in securing employment. Administered by Department of Labor. <i>Identical to provision for World War II.</i>	No provision.
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Mr. RANKIN. Mr. Speaker, I have a telegram from Mr. Omar B. Ketchum, legislative director, Veterans of Foreign Wars, which I desire to read in my time:

Sincerely hope House will approve Korean veteran benefit bill as reported by Committee on Veterans' Affairs. Bill is designed to provide Federal educational aid to veterans rather than Federal aid to education. Would be a mistake to amend bill by returning to old system and abuses which existed under World War II law.

Signed, "Omar B. Ketchum, Veterans of Foreign Wars, legislative director."

Mr. TEAGUE. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Texas.

Mr. TEAGUE. Is it not a fact that every veterans' group, every educational group which appeared before our committee, testified in behalf of this bill except the American Legion? The Legion testified they would rather extend the old bill, but every other group that came before the committee testified in behalf of this bill?

Mr. RANKIN. Yes. It is my recollection that the legislative representative of the Legion merely stated that, because they had no such directive from the na-

tional convention, they could not commit the Legion to this measure.

Mr. KEARNEY. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from New York.

Mr. KEARNEY. Is it not also a fact that the telegram which the gentleman from Mississippi just read designating this bill as a Korean GI bill is a misnomer? It applies to all men in the service who enlisted after June 27, 1950?

Mr. RANKIN. That is right. The gentleman from New York is correct.

I have a letter from the national service director of the AMVETS also support-

ing this bill, which I am also inserting as a part of my remarks:

AMVETS,
Washington, D. C., May 29, 1952.

The Honorable JOHN E. RANKIN,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN: AMVETS respectfully request that the House of Representatives give immediate consideration to the passage of H. R. 7656, the Korean GI bill of rights. Thousands of individuals already have been discharged from active duty after having served in the Korean conflict. We believe there is a national obligation to provide to these individuals readjustment benefits and educational opportunities.

H. R. 7656 received extensive study by the House Veterans' Affairs Committee and was specifically advocated by the House Select Committee To Investigate the GI Bill. It is very meritorious legislation and AMVETS therefore urge its enactment without amendment.

H. R. 7656 is coming up before the House of Representatives during the early part of next week. We understand that at that time an amendment will be offered by Mr. SPRINGER, of Illinois, which will, in effect, destroy its intent by changing the philosophy of direct payments to veterans back to the World War II philosophy of direct payments to schools. AMVETS are primarily interested in a GI bill of rights for Korean veterans rather than being interested in Federal aid to educational institutions. It appears to us that the philosophy inherent in H. R. 7656 is correct and proper and should be adopted by the House of Representatives. We therefore urge the defeat of the Springer amendment. It would appear to us that a bill of this nature, which is predicated on individual self-discipline, individual integrity, and individual initiative is far superior to the World War II practice of placing these three fundamental human traits in the hands of educational institutions.

AMVETS respectfully urge expedited consideration by every Member of Congress on the Korean GI bill of rights and we trust that final action will be taken in order that the bill might be placed into law prior to congressional adjournment.

Very sincerely yours,

RUFUS H. WILSON,
National Service Director.

Mr. Speaker, I ask unanimous consent to insert at this point certain excerpts from the House Report No. 1943 on the bill H. R. 7656 and certain material pertinent to this discussion, notwithstanding the rule that material so inserted shall not exceed two pages.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The material referred to follows:

[Excerpts from H. Rept. No. 1943]

HISTORY OF THE LEGISLATION

Within approximately 2 weeks after the start of the Korean conflict on June 27, 1950 (the date the American forces were ordered into action), the chairman of the committee addressed communications to the American Legion, Veterans of Foreign Wars, Disabled American Veterans, AMVETS, Federal Security Administrator, Bureau of the Budget, Veterans' Administrator, National Education Association, and the Association of Land-Grant Colleges and Universities asking for their comments concerning the extension of the benefits provided by the Servicemen's Readjustment Act of 1944 to the veterans of the Korean conflict.

Many valuable replies and suggestions were received which helped set the pattern of this legislation.

The committee had before it House Committee Print No. 210 of the Eighty-first Congress, containing some 200 pages of investigation on the operations of the education and training provisions of the so-called GI bill of rights—a report prepared by the Administrator of Veterans' Affairs. This report showed that numerous abuses had existed in connection with the present law and that any new legislation should be carefully considered with a viewpoint of blocking loopholes which have been shown to exist.

A short time later a message was received from the President which subsequently became House Document No. 466 of the Eighty-first Congress, also citing abuses in connection with this program and giving certain suggestions for standards for profit schools and other features of the program. Many of these suggestions, with modifications, were incorporated in Public Law 610 of the Eighty-first Congress.

On July 20, 1951, the Acting Comptroller General submitted to the chairman of the committee a review by the General Accounting Office of the veterans' education and training program. This was designated House Committee Print No. 160 and contains nearly 200 pages of findings by that agency of the Congress and points up numerous abuses which have grown up under the present program.

In the second session of the Eighty-first Congress a special committee was created by the House Resolution 474 to investigate the education and training program of the Servicemen's Readjustment Act, headed by the Honorable OLIN E. TEAGUE. The committee was continued by the Eighty-second Congress by House Resolution 93 and broadened to include the loan-guaranty program of the act. This special committee conducted numerous hearings and performed a real service in pointing out the deficiencies of the present act. In addition to the hearings, the committee filed a full and complete report on the education and training aspects in the form of House Report No. 1375 of the Eighty-second Congress, citing not only the experience under the present law but laying down certain standards which this special committee believed should be followed in the extension of similar benefits to men serving on and after June 27, 1950.

The above record clearly shows that the legislation herewith presented has been the subject of considerable study and investigation.

In regard to this specific proposal, the Committee on Veterans' Affairs has held hearings over a 6-week period in which an opportunity was presented all interested parties to present their views. These hearings resulted in the printing of some 945 pages of testimony and generally covered the period from February 6, 1952, through March 11, 1952. By the conclusion of the hearings, 39 bills had been introduced and presented to the committee, seeking in one way or another to extend education and other benefits to persons who served in the Korean conflict.

Prior to the hearings each Member of Congress was invited to present his or her views to the committee, and a number of Members availed themselves of the opportunity. In addition to the Veterans' Administration, testimony was received from representatives of the Department of Defense, Office of Education, General Accounting Office, Bureau of the Budget, American Legion, Veterans of Foreign Wars, Disabled American Veterans, AMVETS, American Council on Education, American Association of Junior Colleges, Association of Land Grant Colleges, American Vocational Association, National Association of State Approval Agencies, and the repre-

sentatives of certain associations of private schools. In addition to this testimony, several organizations filed statements and suggestions for changes in the administration of this act which were incorporated in the hearings.

Following the completion of the hearings the staff of the committee was directed to proceed with informal conferences with representatives of all interested Government agencies in an effort to draft legislation which would reflect suggestions made during the hearings. To that end the staff conducted a series of round-table conferences with officials of the Veterans' Administration, Bureau of the Budget, General Accounting Office, Office of Education, Housing and Home Finance Agency, Internal Revenue Bureau, Social Security Administration, Treasury Department, Department of Labor, and the Federal Trade Commission. These staff conferences were held on March 12, 13, 18, 19, 20, 21, 24, 26, and 27, and April 2, 3, 4, 16, 17, 21, and 24, 1952.

GENERAL COMMENTS

The committee wishes to emphasize that the bill which is reported is a "one-package deal" which would provide benefits which have not yet been enacted for the Korean veterans in the same general fields in which comparable benefits have previously been granted to veterans of World War II. Thus, besides education and training benefits, the bill provides home, farm, and business loan credit assistance, old-age and survivors insurance credits, mustering-out payments, and employment assistance.

It should be emphasized that it is the view of the committee that this bill, as indicated in the statement of policy, is an effort and attempt on the part of the committee to provide readjustment assistance for those men who have had their normal civilian life interrupted by reason of their service since the outbreak of fighting in Korea. Under the terms of the bill, any man who served at least 2 years after the date of June 27, 1950, would be entitled to 36 months or three calendar years of education, which means a full 4-year academic period.

The Servicemen's Readjustment Act of 1944 provides 1 day of eligibility for each day of service plus 12 months. This formula is highly favorable to the veteran with a short period of service who in fact had little or no material disruption in his civilian life. A veteran with 91 days' service during World War II was entitled to 15 months of training. This legislation proposes to shift the emphasis on service to the extent that the individuals with longer periods of service and more material disruption of civilian pursuit will be favored. Under the formula provided in this legislation a veteran receives 1½ days of eligibility for education or training for each day of service. Therefore, a person with a relatively short period of service receives a short period of education or training, with the advantage going to the person with longer periods of service. It is emphasized that the bill proposes to restore lost educational opportunity and make it possible for a veteran to obtain education or training which he might normally have obtained had he not served his country during an emergency period.

It cannot be too strongly emphasized that the educational title of the bill is a program for the benefit of the veterans. The committee is aware of the fact that, of the more than \$3,617,000,000 spent for Federal education programs during the fiscal year 1950, nearly \$3,000,000,000 of it was administered by the Veterans' Administration (vol. 2, pt. 3, Federal Educational Activities and Educational Issue Before Congress, Committee on Education and Labor).

This committee and the Congress in this program is mainly concerned with the veteran and not with any benefit which might flow to schools or others as a result of the enactment of this legislation.

Under the Servicemen's Readjustment Act provision was made for payments of subsistence allowance directly to veterans and for payments by the Federal Government to institutions in behalf of veterans, such payments to cover the costs of tuition, fees, books, supplies, and so forth. This resulted in the Federal Government assuming a contractual relationship with the institutions and entering into direct negotiations with them concerning the charges made in individual cases. Furthermore, the veteran, having no responsibility for the prudent expenditure of such funds, stood in a relationship that was different from other students pursuing the same courses. On the other hand, educational institutions found that additional administrative responsibilities were imposed upon them through the necessity of establishing with the Federal Government the amount that could reasonably be charged for the services to be performed and in vouchering for and receiving payments for such services, in addition to the burden placed upon the Veterans' Administration in the negotiation and settlement of accounts with the institutions. It is obvious that any such system was subject to sharp practices and abuses, and resulted in many cases of benefits flowing to the institution rather than to the veteran.

After thoroughly considering these problems, the committee has decided that the best way to meet them is to provide that no payment shall be made directly to schools, but that, instead, all payments shall be made to the veteran directly, thereby enabling him to deal with the school on the same basis as any other student. The principle of direct payment to the veteran met almost universal approval in the testimony.

It was for that reason that the principle of making direct veteran payments was adopted. This would, in effect, establish a scholarship grant between the veteran and the Federal Government and relieve educational institutions of an agency responsibility which at the best has been time consuming and expensive both for the Government and for individual institutions. It is much better from the standpoint of the veteran, as well as institutions and the Government, that educational institutions devote every available resource of material and energy and time to the improvement of the educational program of the veteran.

The initiative and responsibility factors also influenced greatly the setting of the rates of the educational allowance because it is believed that if the individual has a stake in his own training, it is much more likely that better results will flow from the individual's own desire to see that he receives a dollar's worth of education for each dollar that he spends. In this connection, a recent study made by the Office of Education found that publicly controlled junior colleges and teacher colleges draw the highest proportion of their students from State residents (96.9 and 94.1, respectively). The publicly controlled universities draw 85.3 of their students from State residents (Residence and Migration of College Students, 1949-50). This would seem to indicate that the veteran would go to a school reasonably close to his home and thus would probably benefit through the decreased living costs, as well as special consideration by reason of being a resident of the State in which the school he sought to attend is located. This legislation provides normally 36 months of

eligibility for the 2-year period of service and would result in financial benefits of \$4,000 to \$5,400 to the veteran for such service during that period. The tables on page 27 give the latest information on the subject on catalog rates of State universities and land-grant colleges. It is noted that the table shows the average resident student rate (tuition and fees) is \$195 per academic year.

The committee in fixing the rates of allowances has considered, among other things, statistics which disclosed that the average age of veterans who will participate in this program will be considerably less than that of veterans participating in the program following World War II, with the result that a good percentage of these men will return to their homes and will have a considerably lesser degree of financial responsibility. The committee believes that the fact that more than one-half of college students earn a part of their own expenses (and a recent study indicates it may run as high as 7 out of 10), lends further support to the allowances provided.

The committee emphasizes that it is not the intention of this legislation to establish a program which completely subsidizes the cost of a veteran's education or training program, as well as his living costs. This legislation is designed as an aid program and it is expected that in many cases the veteran will be required to make a contribution to the cost of his own education and training program. It is believed that the veteran will maintain a greater interest in the use made of the funds provided by this bill if he is required to make a contribution from his own resources.

Moreover, it is emphasized that the purpose of the committee is not to equalize educational opportunities for the veteran population, but rather to provide assistance which would help a veteran to follow the educational plan that he might have adopted had he never entered the Armed Forces.

This legislation furthermore insures that the Nation shall be able to utilize the highest skills and abilities of the veterans who benefit from it. This is especially important since at this time the number of young men available to fill the essential technical and professional posts is the lowest in ratio to our total population which we have had or will have for a decade to come. It is doubly essential that we make the fullest use of the skills of the young men who are available.

It was brought out in the hearings that during the administration of the present law no formal relationship existed between the Office of Education and the Veterans' Administration for the administration of this large educational undertaking. Several witnesses stressed the importance of utilization of the services of the Office of Education. The committee did consider this point and has included in the bill a plan by which the Office of Education will cooperate with the Veterans' Administration. However, responsibility for administration remains in the Veterans' Administration.

Resident and nonresident tuition and fees per student in land-grant colleges and State universities, 1951-52

Institution	Resident student	Nonresident student
All institutions listed.....	\$195	\$382
Alabama Polytechnic Institute ¹	140	230
University of Alabama.....	197	447
University of Arizona ¹	106	306

Footnotes at end of table.

Resident and nonresident tuition and fees per student in land-grant colleges and State universities, 1951-52—Continued

Institution	Resident student	Nonresident student
University of Arkansas ¹	\$170	\$370
University of California ¹	161	461
Colorado A. & M. College ¹	180	360
University of Colorado.....	204	430
University of Connecticut ¹	205	455
University of Delaware ¹	270	520
University of Florida ¹	100	450
University of Georgia ¹	160	360
University of Idaho ¹	109	259
University of Illinois ¹	165	325
Indiana University.....	121	336
Purdue University (Indiana) ¹	110	310
Iowa State College ¹	138	338
Iowa State University.....	186	296
Kansas State College ¹	143	343
University of Kansas.....	173	283
University of Kentucky ¹	134	254
Louisiana State University ¹	141	341
University of Maine ¹	320	480
University of Maryland ¹	306	431
Massachusetts Institute of Technology ¹	818	818
University of Massachusetts ¹	138	438
Michigan State College ¹	164	389
University of Michigan.....	167	417
University of Minnesota ¹	197	372
Mississippi State College ¹	142	342
University of Mississippi.....	206	406
University of Missouri ¹	163	313
Montana State College ¹	125	215
Montana University.....	132	282
University of Nebraska ¹	207	367
University of Nevada ¹	128	328
University of New Hampshire ¹	257	514
Rutgers University (New Jersey) ¹	297	432
New Mexico A. & M. College ¹	164	264
University of New Mexico.....	185	385
Cornell University (New York) ¹	500	600
North Carolina State College ¹	277	487
University of North Carolina.....	310	520
North Dakota Agricultural College ¹	113	203
University of North Dakota.....	231	310
Ohio State University ¹	257	477
Oklahoma A. & M. College ¹	135	255
University of Oklahoma.....	165	405
Oregon State College ¹	186	336
University of Oregon.....	206	386
Pennsylvania State College ¹	241	461
University of Rhode Island ¹	228	373
Clemson Agricultural College (South Carolina) ¹	106	276
University of South Carolina.....	186	356
South Dakota State College ¹	174	299
University of South Dakota.....	163	333
University of Tennessee ¹	211	436
A. & M. College of Texas ¹	119	369
University of Texas.....	131	381
University of Utah.....	195	395
Utah State Agricultural College ¹	110	215
University of Vermont ¹	404	554
University of Virginia.....	283	673
Virginia Polytechnic Institute ¹	180	330
State College of Washington ¹	162	322
University of Washington.....	226	526
West Virginia University ¹	136	286
University of Wisconsin ¹	173	473
University of Wyoming ¹	176	386

¹ Land-grant institution.

² No distinction between resident and nonresident.

Source: Catalogs of institutions (Office of Education).

Office of Education—Average income per student from tuition and fees, 1949-50

All institutions.....	\$263.98
Publicly controlled.....	169.30
Privately controlled.....	362.38
All students.....	263.98
Nonveteran students.....	219.49
Veteran students.....	360.28
Public universities, colleges, or professional schools.....	187.68
Private universities, colleges, or professional schools.....	360.42
Public teachers colleges.....	153.31
Private teachers colleges.....	318.42
Public junior colleges.....	92.48
Private junior colleges.....	415.65

[Excerpts from H. Rept. 1943]

Comparison of H. R. 7656, 82d Cong., with titles II and III of Public Law 346, 78th Cong., as amended (GI bill of rights)

Title.....	H. R. 7656 ¹ "Veterans' Readjustment Assistance Act of 1952"	Public Law 346, 78th Cong., as amended Servicemen's Readjustment Act of 1944.
EDUCATIONAL AND VOCATIONAL ASSISTANCE PROVISIONS		
Definitions:		NOTE. —No general definitions as such, equivalent statutory provisions are listed.
(1) Basic service period.....	Period beginning June 27, 1950, and ending by Presidential proclamation or congressional concurrent resolution.	Sept. 16, 1940, to the termination of World War II (July 25, 1947, for all persons except certain enlistees under the Armed Forces Voluntary Recruitment Act of 1945). Similar, except for differences in dates. ⁴
(2) Eligible veteran ²	Active service during basic service period; discharge or release other than dishonorable; 90 days active service or disability discharge. ³	
(3) Program of education or training.....	Single or plural courses or subjects leading to predetermined objective.	Not a key term of SRA. The act refers to "course."
(4) Course.....	Organized unit of subject matter.....	No statutory definition.
(5) Dependent.....	Child, dependent parent, wife, dependent husband.....	Term "dependents" undefined, but implementing regulations restrict it to wife, child, dependent parent.
(6) Educational institution.....	All categories of schools, colleges, universities, etc.....	Similar.
(7) Training establishment.....	Business or other establishment providing apprentice or other training-on-job.	Similar.
(8) Armed Forces.....	Army, Navy, Air Force, Marine Corps, and Coast Guard.....	Not a key term of SRA, the act relates to "military or naval service."
(9) State.....	All States, Territories, possessions, and the District of Columbia.....	Similar provision applicable to SRA.
(10) Administrator.....	Administrator of Veterans' Affairs.....	Same provision applicable to SRA.
(11) Commissioner.....	United States Commissioner of Education.....	Not specifically involved in SRA.
Time limits	Initiation by Sept. 1, 1954, or 2 years after discharge, whichever later; completion 7 years after discharge or end of "emergency". Requires continuous pursuit of program on and after last date for initiation subject to right of suspension for periods not exceeding 12 consecutive months, or longer, if approved by Administrator.	Initiation within 4 years of date of discharge, or termination of World War II, whichever is the later. No education or training may be afforded beyond 9 years after the termination of World War II. Continuity of training after initiation date (subject to excusable interruption) required by implementing regulation.
Entitlement	1½ days for each day of service ¹ up to 36 months. Entitlement ending after major part of semester or quarter is extended to termination thereof.	1 year plus the time spent in active military service ² up to 48 months. Similar to H. R. 7656 with respect to extension of entitlement to end of semester.
Selection, application, and approval of program	Veteran may select program leading toward predetermined objective at institution of choice, except no education furnished in foreign schools other than in the Philippines. Must apply to Administrator who shall approve unless he finds veteran does not meet requirements of bill or is already qualified.	Veteran may elect any course (not avocational or recreational) under the program, either full-time or equivalent part time, at any approved institution which will accept him. No statutory requirements as to initial approval procedure.
Change of program	1 change prior to initiation limit; 1 change after initiation limit if no prior change and subject to approval.	Changes of course authorized for reasons satisfactory to Administrator. Veteran who has completed or discontinued a course (for reasons other than unsatisfactory conduct or progress) may apply for additional courses, subject to authority of Administrator to apply regulatory restrictions (1) after the initiation date, or (2) after the veteran has already made one change from one "general field" of education or training to another field and desires to make additional changes to a different field.
Avocational and recreational courses	Certain courses prohibited. Other listed courses and additional ones found to be recreational or avocational by Administrator may be pursued only on submission of justification.	Similar to H. R. 7642, except no outright prohibition of any particular course and establishes a procedure of justification by affidavits in certain cases.
Minimum nonveteran enrollment	At least ¼ required with certain exceptions.....	No mandatory requirement, but provides that schools operated for profit must meet prescribed standards during any period such schools have fewer than 25 students or ¼ of the students enrolled (whichever is larger) paying their own tuition.
Period of operation for approval	Course not approvable unless in operation for 2 years or more, subject to certain exceptions.	Contains 1-year-operation requirement, with certain exceptions.
Institutions listed by Attorney General under Executive Order 9835	Enrollment or payment of allowance for any course in such an institution is barred.	No specific provision.
Education and training allowance	Administrator would pay veteran a "package" allowance covering his tuition, subsistence, and supplies, except that in certain cases only amount covering tuition and fees to be payable. No payments direct by the Government to institution.	No package allowance. Provides for payment of subsistence allowance to veterans, with tuition, fees, and other listed charges paid to the schools up to a maximum of \$500 for an ordinary school year, subject to right of veteran to elect to have charges paid in excess of \$500 limitation with acceleration of entitlement.
Schedule of rates:		(Rates indicated are for subsistence only.)
Full-time instruction.....	\$110, no dependents, \$150, with dependents.....	\$75, no dependents, \$105, 1 dependent \$120, 1 or more dependents.
¾-time instruction.....	\$80, no dependents, \$110, with dependents.....	} Pro rata of full-time rates from ¼- to ¾-time training.
½-time instruction.....	\$50, no dependents, \$70, with dependents.....	
Full-time instruction and supplemental on-job training.....	\$90, no dependents, \$120, with dependents.....	Combination of institutional and on-job rates.
Apprenticeship or other on-job training.....	\$70, no dependents, \$95, with dependents.....	\$65 per month, no dependents, \$90, per month, 1 or more dependents.
Institutional on-farm training.....	\$95, no dependents, \$120, with dependents.....	\$65, no dependents, \$90, 1 or more dependents.
Correspondence courses, flight training, and courses of less than ½-time training.....	Special provisions apply, gearing educational and training allowance to institutional charges only.	No subsistence for courses exclusively by correspondence; no special allowances for flight training. No subsistence for less than ¼-time training (by regulation).
4 months' reduction formula	Allowances for apprentice and other on-job training and institutional on-farm training subject to reduction for each 4 months as course progresses in accordance with mathematical formula.	No predetermined reduction. Administrator authorized to pay such lesser sums as he may determine, in part-time cases and cases of persons receiving "compensation from productive labor."
Income ceilings	On-job allowances subject to reduction when the allowances plus compensation paid to veteran for productive labor performed as part of course exceed \$225 per month if no dependents, \$300, with dependents.	Ceiling limitation on rate of allowance plus compensation received from productive labor based on the standard workweek, established at the following rates: No dependents, \$210 per month; 1 dependent, \$270 per month; 2 or more dependents, \$290 per month. Not limited to on-job cases and not limited to income received from productive labor as part of course.
Full-time courses	Below college trade courses with shop practice requires 30 hours per week minimum; below college course in which theoretical or classroom instruction predominates requires a minimum of 25 hours per week; undergraduate college course requires minimum of 14 semester hours or equivalent; other full-time training to be defined by Administrator.	Same provisions, except no statutory definition of undergraduate college course (defined generally by regulation as 12 semester hours).

Footnotes at end of table.

Comparison of H. R. 7656, 82d Cong., with titles II and III of Public Law 346, 78th Cong., as amended (GI bill of rights)—Continued

EDUCATIONAL AND VOCATIONAL ASSISTANCE PROVISIONS—continued

	H. R. 7656 ¹	Public Law 346, 78th Cong., as amended
Overcharges by institution.....	Administrator to disapprove institution if institution charges or receives in excess of established charges for nonveterans. Authorizes up to \$31 for full-time courses for certain tax-supported schools not baying nonveteran resident fees.	No provision. VA pays customary or contractual charge direct to institution. Tuition pay to school.
Approval of courses.....	Approval by State approving agencies and in certain instances by Commissioner of Education.	Basically similar to H. R. 7656, except for supplemental approvals to be made by Administrator, rather than Commissioner.
Use of Federal agencies.....	Administrator may use services of other Federal agencies. Bill directs utilization of service of Office of Education in certain particulars.	Administrator may use services of other Federal agencies. No mandatory requirements with respect to any specific agency.
Payment for certain State expenses.....	Administrator authorized to contract for payment to State and local agencies for necessary salary and travel expenses in ascertaining qualifications of institution and supervising same and furnishing other requested services.	Administrator authorized to reimburse State and local agencies for reasonable expenses incurred in ascertaining qualifications and supervision of industrial establishments and proprietary institutions, and furnishing other requested services.
Standards for approving courses.....	Provides detailed standards for on-the-job, on-farm, and all institutional courses (accreditation procedure employable in lieu of standards for certain established courses).	Contains standards for on-the-job and on-farm training which are similar to those in H. R. 7656, with the addition of standards for training on farm of another. Detailed standards for institutional courses are confined to proprietary profit schools, under certain conditions.
Disapproval of course and discontinuance of allowance.	State agency to disapprove course which fails to meet requirements. Administrator authorized to discontinue allowance to veteran if he finds that course fails to meet requirements or if institution has violated any provision.	Authority to Administrator to withhold benefits in on-job training and on-farm cases, when he finds they fail to meet standards. Administrator may withhold benefits in institutional cases only after finding by State approving agencies of failure to meet standards.
Regulations and review of payments by GAO..	Administrator authorized to issue necessary regulations. Review by GAO provided.	Administrator authorized to issue necessary regulations, subject to certain limitations added by Public Law 610, 81st Cong. Finality provisions of sec. 5, Public No. 2, 73d Cong., and sec. 11, of act of Oct. 17, 1940, are applicable.
Educational and vocational guidance.....	Administrator authorized to provide such service and reimburse veteran for traveling expenses incident thereto where advisement is required by Administrator.	Administrator authorized to provide such service, but no authorization to reimburse veteran for traveling expenses.
Advisory committee.....	Administrator directed to form advisory committee composed of educators and including Commissioner of Education, ex officio.	No specific requirement for advisory committee, but such a committee functions under general authority.
Control by Federal agency prohibited.....	Standard provision precluding Federal supervision or control of State agencies and institutions.	Same provisions.
Conflicts of interests.....	Employees of VA, Office of Education or State agency having pecuniary interest in profit institutions to be dismissed, courses disapproved by State if conflicting interests develop.	No specific provisions.
Recovery of overpayments.....	Provides for recovery from institution of overpayment of allowance to vet resulting from (1) willful or negligent failure of institution to report excessive absence, etc., or (2) false certification by institution.	Similar provisions.
False or misleading statements.....	Administrator not to make payments to any person who has willfully submitted false or misleading claims.	No specific provisions in act.
Criminal penalties and forfeitures.....	Person who knowingly and willfully makes false statement or commits certain other defined acts to forfeit all rights and benefits under the program and under Public Law 2, 73d Cong., as amended, and upon conviction could be fined up to \$500 or imprisoned up to 6 months or both. Person violating such provisions who is not affected by forfeiture could be fined up to \$5,000 or imprisoned up to 3 years or both.	The criminal penalties generally applicable to other veterans' benefit programs apply. The forfeiture provisions of Public Law 2, 73d Cong., as amended, are made applicable and the over-all effect is somewhat broader than under either of the bills.
Waiver of overpayments.....	Contains standard provision for waiving recovery of overpayments of training allowance where Administrator finds that the person is not at fault and recovery would defeat purpose of benefits otherwise authorized or would be against equity and good conscience.	The same provision is applicable by reference to Public Law 2, system of which present program is a part.
Federal Trade Commission.....	Required to keep State agencies advised of information available to FTC which might be of assistance to State agencies in carrying out their duties.	No provision.
Veterans' Education Appeals Board.....	No provisions, as payments to institutions not involved under the bill.	Authorized to hear appeals from institutions dissatisfied by decisions of the Administrator as to customary cost of tuition and other actions taken under Veterans' Education and Training Amendments of 1950.
Effective date of educational and training provisions.	Effective on enactment but no education and training allowances payable for period prior to Sept. 1, 1952.	June 22, 1944.

LOAN ASSISTANCE

	H. R. 7656	
Service group and nature of benefit.....	Extends title III of SRA (guaranty and insurance of home, farm, and business loans, and direct home loans in certain cases) to veterans of service on or after June 27, 1950, and prior to a date to be determined.	Same, but applicable to World War II group. These title III loan-assistance benefits are now provided for those who served on or after Sept. 16, 1940, and prior to July 26, 1947.
Additional amendments to present law.....	Makes certain other amendments to title III of SRA, including (1) specific authority to require advance approval of certain loans notwithstanding automatic guaranty provision; (2) requirements that new home construction meet minimum standards for planning and general acceptability as well as construction standards; (3) construction warranty to veteran purchaser for initial occupancy; (4) authority to refuse appraisal of housing handled by persons with poor record as to dealings with veteran purchaser; and (5) authority to exclude from future loan guaranties lenders with record of dealings detrimental to veteran or Government.	As indicated proposed amendments in H. R. 7656 would amend existing title III of Servicemen's Readjustment Act and would apply prospectively to the World War II group as well as the new service group.

SOCIAL-SECURITY BENEFITS

Old age and survivors insurance.....	Gives \$160 credit for each month spent in the service on or after June 27, 1950, and prior to a date to be determined.	Same as applicable to World War II group. (Not provided in Public Law 346, 78th Cong.)
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Footnotes at end of table.

Comparison of H. R. 7656, 82d Cong., with titles II and III of Public Law 346, 78th Cong., as amended (GI bill of rights)—Continued

MUSTERING-OUT PAYMENTS

	H. R. 7656 ¹	Public Law 346, 78th Cong., as amended
Mustering-out payments.....	Grants \$100 for veterans serving less than 60 days, \$200 for veterans serving more than 60 days, and \$300 for veterans serving more than 60 days and with service overseas. Includes up to and including the rank of captain in the Army and Air Force and lieutenant, senior grade, in the Navy.	Identical to World War II coverage. (Not provided in Public Law 346, 78th Cong.)

JOB ASSISTANCE

Employment benefits.....	Grants preference in employment based on service on or after June 27, 1950, and prior to a date to be determined.	Identical to World War II coverage.
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¹ The other titles of H. R. 7656 would provide old-age and survivors' insurance credits, mustering-out payments, and employment assistance.

² Veteran ineligible for education and training while in active service. Under SRA, veteran reentering service may receive the benefit, not including subsistence.

³ Any period during which assigned to a civilian institution for a course of education or training which is substantially the same as established courses offered to civilians or as a cadet or midshipman is excluded.

⁴ By sec. 1507, SRA of 1944, as amended, the benefits of pt. VIII are available to persons, otherwise eligible, while on terminal leave or while hospitalized pending final discharge. Period while assigned for training under the ASTP or the Navy college training program or as a cadet or midshipman is excluded, if course is continuation of civilian education and pursued to completion.

[Excerpts from hearings on H. R. 7656]

VA home loans closed, FNMA purchases, and estimated private originations

	Number of loans (thousands)				Loan amount (millions)			
	VA home loans closed	FNMA (or RFC ¹) pur- chases		Esti- mated private origina- tions	VA home loans closed	FNMA (or RFC ¹) pur- chases		Esti- mated private origina- tions
		Num- ber	Percent of VA			Amount	Percent of VA	
ALL HOME LOANS								
1945-46.....	455.3	¹ 0.4	0.08	454.9	2,494.5	¹ 2.2	0.08	2,492.3
1947.....	541.9	¹ 21.8	4.0	520.1	3,282.5	¹ 129.2	3.9	3,153.3
1948.....	349.9	¹ 5.3	1.5	344.6	1,881.0	¹ 28.2	1.5	1,852.8
1949.....	276.8	65.5	23.7	211.3	1,423.6	419.5	29.5	1,004.1
1950 total.....	497.6	133.1	26.7	364.5	3,073.3	995.1	32.4	2,078.2
First half.....	221.9	70.0	31.5	151.9	1,273.2	510.9	40.1	762.3
Second half.....	275.7	63.1	22.9	212.6	1,800.1	484.2	26.9	1,315.9
1951 total.....	447.4	77.1	17.2	370.3	3,614.5	602.7	16.7	3,011.8
First half.....	241.0	43.6	18.1	197.4	1,833.6	340.6	18.6	1,493.0
Second half.....	206.4	33.5	16.2	172.9	1,780.9	262.1	14.7	1,518.8
PRIMARY (SEC. 501) HOME LOANS								
1945-46.....	440.3	1.4	.09	439.9	2,477.7	¹ 2.2	.08	2,475.5
1947.....	494.4	¹ 21.8	4.4	472.6	3,228.1	¹ 129.2	4.0	3,098.9
1948.....	256.3	¹ 4.1	1.2	252.2	1,743.1	¹ 26.7	1.5	1,716.4
1949.....	177.9	53.4	30.0	124.5	1,275.9	404.3	31.7	871.6
1950 total.....	373.9	129.1	34.5	244.8	2,903.2	989.9	34.1	1,913.3
First half.....	156.8	66.7	42.5	90.1	1,182.3	506.5	42.8	675.8
Second half.....	217.1	62.4	28.7	154.7	1,720.9	483.4	28.1	1,237.5
1951 total.....	413.9	76.0	18.4	395.6	3,569.1	600.9	16.8	2,968.2
First half.....	212.8	42.9	20.2	116.6	1,795.9	339.7	18.9	1,456.2
Second half.....	201.1	33.1	16.5	221.4	1,773.2	261.2	14.7	1,512.0

¹ All purchases in 1945 to 1947, and part of 1948, represent purchases by the RFC Mortgage Company.

Status of FNMA home financing, Dec. 31, 1951

Gross authorization.....	\$2,750,000,000
Less:	
Mortgage portfolio.....	\$1,849,534,000
Undisbursed commitments.....	239,109,000
Total available for use.....	661,357,000
Less set asides:	
Defense and military housing.....	\$396,255,000
Disaster housing.....	16,249,000
Available for purchase of other mortgages.....	248,853,000
COMPOSITION OF MORTGAGE PORTFOLIO	
VA loans, total.....	\$1,645,800,000
Sec. 501.....	\$1,638,000,000
Sec. 502.....	1,500,000
Sec. 505 (a).....	6,800,000
FHA loans, total.....	203,700,000
Sec. 203.....	\$52,800,000
Sec. 603.....	95,800,000
Sec. 207.....	31,500,000
Sec. 608.....	22,500,000
Other.....	1,100,000
Total portfolio.....	1,849,534,000

"SUPPLEMENTAL STATEMENT BY MR. T. B. KING, DIRECTOR, LOAN GUARANTY SERVICE IN OFFICE OF FINANCE, VETERANS' ADMINISTRATION

"At the conclusion of the round-table conference on housing finance held before the Senate Banking and Currency Committee on

February 6, 7, and 8, 1952, the participants were extended the opportunity to submit supplemental comments or statements pertinent to any of the subjects discussed. I am pleased to avail myself of that opportunity and hope that the following comments to be included in the record of the conference will prove helpful in furthering the committee's objective of obtaining a more comprehensive understanding of the major problems presently of concern in the residential financing field.

"From the viewpoint of the Veterans' Administration certainly the major problem discussed at the conference concerned the present 4 percent maximum interest rate permissible for VA guaranteed home loans. It came as no surprise that the bulk of the testimony given at the conference favored an increase in the GI-loan maximum interest rate as a primary solvent to the current shortage of mortgage funds now evident in many parts of the country. That is quite natural, and no one can question the sincerity of the assertions of the industry spokesman as an expression of a valid point of view. While there was substantial testimony supporting a contrary view, I believe that the committee may find helpful a discussion of the primary factors which support the Veterans' Administration's position that the present maximum 4 percent inter-

est rate is adequate, and that an increase in that rate is not warranted either in light of the present situation or the situation anticipated in the year ahead.

"Most of the criticism by lender participants centered upon the net yield obtainable from GI 4-percent loans in relation to other investment yields. It was pointed out that from the gross 4-percent yield a one-half of 1 percent factor must be deducted in considering the net yield of the typical secondary market investor, since that is the figure commonly paid to the servicing agent. A further deduction must be made for home-office expenses which according to the best available data amount to approximately three-tenths of 1 percent of the loan amount. Thus an investor purchasing mortgages from an originating mortgage company receives a net yield which falls in the neighborhood of 3.2 percent. It should be recognized that the actual net yield figure experienced undoubtedly varies by individual lender depending upon such factors as size of portfolio, efficiency of operation, and total servicing costs. It might be pointed out also that many institutions which originate loans locally for retention in their own portfolios, such as savings and loan associations and many banks, probably enjoy a higher net yield since the functions of origination and servicing are integrated in a single operation. Likewise secondary investors who pay their services less than the customary one-half of 1 percent servicing charge enjoy a correspondingly higher yield.

"Moreover, it must be counted to the advantage of all holders of GI loans that the guaranty contract is so liberal and pervading that added elements of expense either in origination or liquidation are well covered, so that no dilution of the 3.20 factor because of unsecured expenses or outlay is likely, nor need any appreciable fund be set aside as a reserve for such contingent outlay or to cover principal loss.

"In general, we take no exception to the net-yield figures presented by the various industry spokesmen. We do, however, believe that insufficient emphasis was given to the proper measuring stick which should be used in assessing the relative investment attraction of VA-guaranteed 4-percent loans. Thus, the approximate 3.2 percent net-yield factor quoted as characteristic for GI-loan portfolios was repeatedly compared with the net yields obtainable on corporate bonds, ranging from triple A corporate bonds to Baa-rated securities. It was pointed out that the highest grade corporate bonds may now be purchased to yield from 3 to 3.10 percent. One spokesman attached even greater significance to the yield obtainable on Baa bonds which may now be purchased in the market to yield approximately 3.6 percent. The availability of even higher yields was stressed where the securities are acquired

through private negotiations for the purchase of new corporate issues.

"It is not our intention to deprecate the investment worth of the corporate securities which are included in the various yield series discussed. It is recognized that such securities represent the obligations of some of our strongest corporate enterprises. Many of them are blue-chip investments and their relatively low yield in terms of bonds of lesser security reflect that high quality.

"THE GI 4-PERCENT RATE IS STILL COMPETITIVE

"What we do contend is that the only fair basis of comparison in judging the investment attraction of the GI 4-percent loan is to relate its net yield to the yield obtainable on Government bonds. Since the GI loan is guaranteed by the Government for the top 60 percent of the loan, it must be regarded for all practicable purposes as a riskless security, which, like Government bonds, is backed by the full credit and resources of the Government. When compared with Government bonds, the relative investment position of the VA-guaranteed 4-percent loan shows up in a much more favorable light than in the comparisons made by other participants with corporate securities. Presently the average yield on long-term Government bonds is approximately 2.70. That figure is a full one-half of 1 percent below the net yield of 3.20 cited above as typical for those institutional investors which pay a one-half percent servicing fee. Admittedly that one-half of 1 percent spread has been narrowed from what it was prior to the upward shift in the structure of money yields which followed upon the monetary actions taken in the spring of 1951. Nonetheless the differential is there, and remains substantial even at the low point currently reached by the Government bond market. Moreover, an even more proper basis of comparison is with Government bonds of intermediate maturity since the average mortgage portfolio has a high turn-over rate which reduces its average life to approximately 8 years, more or less. Government bonds of intermediate maturity now outstanding may be purchased to yield approximately 2.65 percent.

"The contention that the GI 4-percent rate is no longer competitive is, moreover, not borne out by the facts. Even in the present mortgage market the Veterans' Administration continues to receive from 25,000 to 30,000 GI home-loan applications from lenders each month. While admittedly below peak-activity rates of the boom building year 1950, this rate of application volume is substantial and does not compare unfavorably with other past periods in the relatively brief history of the GI loan program. This experience is more impressive when allowance is made for the fact that the GI loan program has been proceeding for some time under credit controls which constitute a substantial deterrent to prospective veteran home buyers.

"But to be accurate a qualification should be noted in discussing the current rate of GI loan activity. Although the bulk of current GI loans are being made by private capital, the over-the-counter mortgage-purchase program of the Federal National Mortgage Association is still supplying a substantial support in helping to make GI loans available in many areas of the country. Thus, in the last half of 1951 approximately 16 percent of the total of GI loans made stemmed from Government funds supplied via the FNMA Government secondary market. At the same time, considering this source of support solely from the aspect of appraising the present rate of volume against past experience, it may be observed that FNMA was called upon in prior years to supply a higher rate of support. For example, in 1950 we estimate that FNMA capital supplied approximately one-third of the total of GI first-mortgage

4-percent loans made to veterans in that year.

"FNMA SUPPORT TO GI LOANS

"At this point it would appear appropriate to comment on the future role of the FNMA market in affording support for GI loans and to indicate our concern over the inability of FNMA to continue that support in the year ahead. In 1948 the very important need for Government secondary market support to the GI 4-percent loan in many communities was recognized by the Congress in the passage of legislation which made GI loans eligible for FNMA purchase. Further evidence of the desire of Congress to improve secondary market support for the GI loan by FNMA was shown by an amendment to the law in 1949 which permitted lenders to sell GI loans on an unrestricted basis to FNMA if they were unable to find a private buyer. For other loans eligible for purchase by FNMA, such as FHA title II loans, the lender could sell no more than 50 percent of his eligible loan originations (a limitation which has remained in full effect except for military housing loans insured under title VIII of the National Housing Act). Thus the primary purpose of the FNMA market was altered and shaped legislatively to supply broad secondary market support to FHA-insured loans, and to VA-guaranteed 4-percent loans particularly.

"The present FNMA holding of GI loans is ample evidence that that legislative purpose was achieved and that a considerable support has been supplied by FNMA in the past. Currently FNMA holds approximately 230,000 GI first-mortgage loans with an outstanding loan balance of approximately \$1,700,000,000. But the true measure of the support function of FNMA is much broader than those statistical totals would indicate. Because lenders could rely upon the existence of the FNMA market in the event they could find no buyers in the private secondary market, the indirect support effects, so long as a substantial and reassuring unexpended balance was on hand in FNMA, afforded widespread encouragement to lenders to originate 4-percent loans to veterans.

"But on the other hand, historically, in a pattern currently being repeated, at the point where the balances available in FNMA become depleted, the assurance and with it the support vanish, and a 'devil take the hindmost' rush take heavy toll of the remainder.

"Currently FNMA holds an estimated \$1,900,000,000 to \$2,000,000,000 in mortgages as against its total authorization under the law of \$2,750,000,000. Unfortunately, however, the difference is not all available as a support to the GI loan. The reason is that FNMA has undergone a complete reorientation over the past year or more so that its major objective under prevailing policy is to give financing support to defense and military housing. The Defense Housing Act of 1951, effective last September 1, authorized FNMA to use \$200,000,000 of its remaining resources for advance commitments to purchase programed defense housing in defense areas, military housing loans, and loans in disaster areas. In addition, FNMA has earmarked another \$400,000,000 or more which is available only for the financing of programed defense housing and military housing. It is recognized that a portion of these funds will undoubtedly provide GI financing for defense workers in defense areas who are eligible World War II veterans, although the incidence of GI financing in such areas will be restricted in view of the fact that approximately 70 percent of the defense housing now being programed is to be built as rental housing.

"As the situation now stands, there is less than \$150,000,000 still available for general

over-the-counter purchases which has not been earmarked or committed by FNMA. It might be pointed out also that that limited fund is available for the purchase of FHA loans as well as GI 4-percent loans. Moreover, at the present rate of sales of mortgages to FNMA, it seems a foregone conclusion that very shortly FNMA will have no more funds to buy GI loans other than those which may stem from programed sales housing in defense areas.

"I am not questioning the desirability of using FNMA resources to supplement private capital in the financing of whatever quantity of defense housing is needed. Nonetheless, the fact cannot be escaped that the use of FNMA funds for that purpose has virtually eliminated the efficacy of that market as a broad secondary market support for the GI 4-percent loan. An even more pressing concern is whether, in the current state of the mortgage market, private capital will be able to step into the breach to supply the 5,000 to 6,000 GI loans a month which FNMA capital has been supplying (actually in January FNMA purchased about 8,000 GI loans).

"It is no part of my purpose to take issue with the use of FNMA to support defense housing needs. Nor is it part of my purpose to argue for new and larger appropriations to FNMA for GI-loan support. My sole purpose is to bring to the attention of the committee the significance of FNMA's current role in relation to the GI-loan program, so that the committee may have the viewpoint of one charged with the administration of that law before it when it considers its action on these and related matters during the present session.

"MORTGAGE CAPITAL UNEVENLY DISTRIBUTED

"Getting away from the subject of FNMA, I would like to comment on the significance attached by Mr. W. A. Clark to a remark by me at the present supply of GI loans is 'spotty and sparse.' It is indeed true that the present supply of mortgage capital for GI loans is not distributed evenly throughout the United States. Our statistics show that available GI loans are largely concentrated in the northeastern section of the United States and in a relatively few large urban centers in other parts of the country. It does not follow, however, as Mr. Clark contends, that an interest rate increase for GI loans would achieve an even flow of mortgage capital for GI loans into all areas. The uneven distribution of funds available for long-term mortgage investment has always existed and is by no means a unique characteristic of the GI 4-percent loan. As you know, there are some areas of our country where savings capital has been concentrated and where consequently mortgage money has been available in ample supply on liberal terms and at relatively low cost. There are many other areas, however, where the converse has been true, i. e., where the demand for mortgage capital has far outstripped the local supply. In capital-tight areas of the latter description quite often the only prospect for obtaining the needed mortgage capital has been through the medium of interstate investment from the centers of relatively heavy concentrations of savings capital. Concededly, in partial agreement with Mr. Clark's statement, a higher interest rate would improve the geographical distribution to a limited degree. But it is more likely his proposed increase would stimulate an oversupply in the areas least needing an added supply, with the result that premiums would once again prevail in those areas.

"The limited direct loan program of the Veterans' Administration first authorized by the Housing Act of 1950 and later extended by the Defense Housing Act of 1951, was enacted in clear recognition of the fact

that World War II veterans living in smaller towns and communities were generally unable to obtain long-term mortgage loans on the liberal terms and at the low interest rate offered by VA-guaranteed loans. In addition to the limited aid made available by a special purpose program such as VA's direct loan program, however, I believe great hope for improvement lies in the direction of creating a central mortgage bank along the lines suggested by Senator SPARKMAN and other participants as a means of achieving a mere fluid mobility of mortgage capital from areas of ample supply to those where local capital is insufficient. It is to be hoped that such a meritorious proposal will receive intensified study by your committee and by the industry groups who have the resources out of which the tremendous aggregate of capital necessary to effectuate the objectives of such a market must be derived.

"IMPROVED INVESTMENT CALIBER OF GI LOANS"

"In reflecting on the stress which several participants laid upon the lack of flexibility in the maximum interest rates for Government-supported mortgage loans, in contrast to the marked changes which have taken place in the money market over the past year, I believe some qualifying comment is in order.

"Quite apart from the question of relative yields, while it is true that the GI-loan interest rate maximum has been maintained unchanged at 4 percent, it is not true that the GI loan itself, in terms of investment caliber or net yield, has remained static. To the contrary, the intrinsic advantages of the GI loan to the investor have been greatly improved over the past several years in a number of important respects. For example, the Housing Act of 1950 increased the guaranty protection to the lender by a considerable margin. Where previously the maximum guaranty on a VA home loan was 50 percent with a maximum guaranty of \$4,000, the lender is now protected for the top 60 percent of the loan, and the maximum guaranty amount has been raised to \$7,500. In November of 1949, VA regulations were amended to permit the lender to charge a 1-percent origination fee to the veteran borrower. While that 1 percent fee did not increase the lender's income by the full amount of the charge, since it was permitted only in lieu of certain other origination expenses of the lender, it nonetheless did serve to sweeten the investment attraction of the GI 4-percent loan by providing an offset to origination costs. At that time it was generally agreed that for most lenders the 1-percent charge offered an additional profit incentive, probably averaging about one-half of 1 percent of the loan amount.

"In December 1948, VA regulations governing the conveyance of property were liberalized substantially from the lender's standpoint. The present rules governing liquidation provide a number of important advantages, for example, the Veterans' Administration will take the property upon foreclosure subject to redemption rights and without regard to whether the property is adversely occupied. Also the VA will accept title which is generally acceptable in the locality and does not insist upon a marketable title; VA will assume custody of the property and risk of loss due to property damage immediately after foreclosure even though the title has not yet been conveyed to the VA. These are by no means all of the advantageous aspects of VA's rules governing property conveyance when foreclosure occurs, but they serve to illustrate that the lender is afforded strong inducements to invest in GI loans quite apart from the permissible interest rate itself.

"In 1948, Congress added an incontestable clause to title III of the Servicemen's Read-

justment Act which provided a strong measure of protection previously lacking by enabling the lender to have confidence that the validity of the VA guaranty would not be questioned in the future because of mistake or misunderstanding on the part of either the lender or the VA field office.

"Other changes over the past several years have seen the establishment of minimum construction requirements, by the introduction of compliance inspections to guard against defective construction, and by a tightening of the VA appraisal and credit underwriting functions. Now, under credit controls, all GI loans require down payments. The investment attraction of the GI loan has also been bolstered by the wider acceptability now accorded to the GI loan among all types of lending institutions, including secondary market investors who supply mortgage capital on an interstate basis, in contrast to the earlier days of the VA loan guaranty program when the GI loan was regarded by many as a new and untried investment instrument. Last but not least is the outstanding record demonstrated by veterans in repaying their GI loan obligations and the warm respect which that attested record has generated among lenders. In contrast to the fears expressed in the earlier years of the program, many lenders now point with pride to their GI loans and regard their veteran borrowers as their soundest credit risks.

"It is admittedly impossible to assign a fixed numerical weight to all of the above-discussed advantages from the investor's standpoint. But it cannot be denied that they all have contributed to a substantial enhancement of the investment appeal of the GI 4-percent loan and show clearly that the GI loan as an investment package has not stood still while everything else around it has changed.

"THE MORTGAGE MARKET SHOULD IMPROVE"

"As stated earlier, we are not prepared to concede that the GI 4-percent rate has lost its competitive ability even in the present mortgage market. But we believe that the case against an increase in the maximum interest rate for GI loans is even stronger in view of the prospective improvement now beginning to take shape in the mortgage market. It is our belief that most of the deterring influences to mortgage investment are now beginning to diminish in importance and that the basic trends now evident portend an easing in the mortgage supply situation, including the supply of funds available for investment in GI 4-percent loans. Briefly, the factors which underlie that belief may well be restated here in summary as follows:

"(a) The very large volume of mortgage commitments made by lenders in the latter part of 1950 and the early part of 1951 are now being worked out. This was clearly brought out in the statistics presented at the conference showing the sharp decline over recent months in the outstanding loan commitments of life insurance companies. With the reduction in outstanding commitments to more normal levels now in sight, the pressure upon lenders to find new mortgage investments to keep their dollars employed will increase.

"(b) The extremely high rate of peacetime savings out of current national income is being reflected in the record amounts of new money flowing as deposits into mortgage financing institutions. That trend, plus very large principal repayments on outstanding loans, is also steadily increasing the pressure to find available investment outlets.

"(c) The opportunities to invest in mortgages are gradually contracting as the credit controls and limitations on materials bite deeper, so that the swelling amount of in-

vestment money will be forced to compete for a dwindling supply of new mortgages.

"(d) One deterrent to mortgage investment has been the greatly expanded investment opportunity in corporate securities which has arisen in connection with expanding capital outlays by business for defense-plant expansion and other defense-production purposes. Corporate borrowing is still proceeding at extremely high levels, but it is expected that the volume of such financing will soon begin to decline in rate as the initial tooling-up phases of the defense-production effort are completed. The probability of such a decline in the rate of corporate borrowing from present peak levels is strengthened in view of present defense budget policy which contemplates an easing in the impact of defense expenditures upon the civilian economy by spreading the defense-production program over a longer period.

"(e) While lenders may be expected to have increasing difficulty in finding conventional and FHA borrowers who can meet the very substantial down-payment terms required for such loans, their potential customers among World War II veterans will be very large because of the preference which GI loans are given under the credit-control laws. For example, on a \$12,000 house a nonveteran must put in \$2,400 as a down payment with an FHA or conventional loan. With a GI loan the down payment required of the veteran is less than \$1,000 (\$960) in the same case.

"These we believe to be the major influences in the picture which point toward an increasing improvement in the mortgage-supply situation, including an increased willingness on the part of lenders to invest in VA-guaranteed 4-percent loans. These various influences are reflected currently in VA's most recent statistics. New appraisal requests for proposed construction, the first and most sensitive indicator of GI-loan volume, reached a low point of 7,700 units in July 1951. Since that date the monthly total has moved almost steadily upward, reaching a monthly average of 15,000 in the last quarter of 1951, and a peak of 21,600 in January 1952, the highest number of units requested in any month since the October 1950 curbs were imposed.

"Some of this accelerated appraisal activity may well be arising from financing arrangements which reflect discounts, or the absorption of discounts, which are set up to avoid or skirt the prohibitions of maximum-fee schedules established pursuant to section 504 of the Housing Act of 1950. If these recourses are to be proscribed, such a prohibition could be accomplished only by substantially broadening and strengthening the present law. But such a step is not urged since no flagrant abuses such as compelled the Congress to enact the original section 504 have been noted. It is thought also that such arrangements may serve to compensate for and bridge over to some extent the consequences of temporary voids or maladjustments in the regular flow of mortgage money such as underlay the market during 1951.

"POSSIBLE INFLATIONARY EFFECTS OF AN INTEREST RATE INCREASE"

"Another subject discussed was the possible inflationary effects of an increase in the maximum interest rate for Government guaranteed or insured loans. At one point during the discussion Mr. Martin, the Chairman of the Board of Governors of the Federal Reserve System, indicated that an increase in the rate would not be inflationary. As you probably noted, that indication was later capitalized upon by Mr. Clark as a favorable factor in presenting his arguments for a higher rate.

"It is deemed probable that the Federal Reserve Board's expression is based upon the

assumption that the 800,000 figure for new housing starts in 1952 must be regarded as an absolute maximum and that whatever steps are necessary to achieve that goal will be undertaken by the Government. Viewed in that light, it is conceivable that an increase in the maximum interest rate for GI loans might be regarded as noninflationary, since the result would be to shift a substantial portion of conventional financing into FHA and GI loans with no additional increase in the net amount of the new mortgage indebtedness required to finance that level of starts.

"It is my belief, however, that the stimulation of an increased GI loan interest rate would greatly increase the difficulties which the Government would encounter in keeping maximum housing production within the

desired goal, and that further, it might very well incline or force the Government to take other restrictive steps to keep within that goal. Also in the existing housing sector, I do not think there is any doubt that an increase in the GI-loan interest rate would tend to inflate the expansion of mortgage credit in connection with the sale of existing homes. In the case of existing homes, there is no numerical goal to be controlled and a higher interest rate would greatly increase the effective demand of veterans in the housing market. It should not be inferred, of course, that we do not want to see a larger share of the housing supply go to veterans with the advantageous terms of GI financing. We want to see that trend very much but we would prefer to witness its accomplishment at the same low interest costs

which have always been in effect for GI loans. We believe also that a gradual improvement in the availability of GI financing—now in prospect even with the 4 percent maximum rate maintained—will contribute far more to stability in the housing market than would a precipitous improvement caused by an increased interest rate, with the attendant inflationary dangers and the higher financing costs which veteran borrowers would have to bear.

"As the committee proceeds further with its consideration and study of the various points and problems related to the foregoing, it may be sure that the Veterans' Administration will be glad to supply it promptly with any further analysis or statistics which may serve to assist the committee."

Loans approved for guaranty or insurance number, principal amount, and amount of guaranty or insurance cumulative through Dec. 25, 1951

Regional office	All loans			Home loans			Farm loans			Business loans		
	Num- ber	Princpal amount	Guaranty or insurance	Num- ber	Princpal amount	Guaranty or insurance	Num- ber	Princpal amount	Guaranty or insurance	Num- ber	Princpal amount	Guaranty or insurance
Total.....	2,875,097	\$17,117,080,443	\$8,801,047,365	2,643,261	\$16,402,628,814	\$8,537,107,839	62,447	\$241,453,569	\$108,247,852	169,389	\$472,998,060	\$155,691,674
Alabama: Montgomery.....	38,861	209,593,020	113,432,158	35,179	199,453,396	108,562,448	2,647	6,386,674	3,167,504	1,035	3,752,950	1,702,206
Alaska: Juneau.....	250	1,167,324	569,712	166	829,102	443,678	0	0	0	84	338,222	126,034
Arizona: Phoenix.....	10,021	42,993,884	22,301,260	8,502	38,696,216	21,232,957	280	972,381	296,992	1,239	3,326,287	771,311
Arkansas: Little Rock.....	19,792	71,245,678	38,719,819	16,491	62,807,416	35,209,068	1,604	3,700,482	1,759,448	1,697	4,677,780	1,751,303
California:												
Los Angeles.....	198,133	1,432,057,763	764,159,604	192,585	1,412,792,838	760,160,570	153	1,095,370	415,964	5,395	18,169,555	3,583,070
San Diego.....	15,918	111,552,414	62,020,427	15,341	109,900,004	61,615,202	8	60,925	26,250	569	1,591,485	378,975
San Francisco.....	147,559	903,031,242	484,099,195	140,352	875,958,728	476,509,678	1,073	7,031,228	2,831,071	6,134	20,041,286	4,758,446
Colorado: Denver.....	28,922	154,919,061	80,871,783	24,991	140,964,842	77,288,798	1,791	7,413,334	1,332,247	2,140	6,540,885	2,250,738
Connecticut: Hartford.....	39,604	295,842,607	144,514,642	37,032	289,354,101	142,551,672	38	310,202	127,456	2,434	6,178,304	1,835,514
Delaware: Wilmington.....	8,970	62,839,349	33,022,634	8,690	61,619,772	32,448,266	123	628,538	315,448	157	591,039	258,920
District of Columbia: Wash- ington.....	42,851	381,272,414	189,953,740	40,780	376,193,291	188,368,795	8	36,000	17,000	2,066	5,043,123	1,576,945
Florida:												
Miami.....	26,842	173,717,879	95,830,999	26,468	172,387,966	95,350,806	10	68,215	26,370	364	1,261,698	453,823
Pass-A-Grille.....	34,656	183,863,019	103,226,679	33,701	180,434,316	101,835,166	53	164,750	76,968	902	3,263,953	1,314,545
Georgia: Atlanta.....	54,556	322,422,931	168,493,501	50,136	309,090,032	162,338,574	2,321	6,809,760	3,367,125	2,099	6,523,139	2,787,802
Hawaii: Honolulu.....	3,608	32,500,180	15,705,381	3,438	32,026,096	15,488,703	1	3,900	1,950	169	470,184	211,728
Idaho: Boise.....	8,811	39,746,913	22,294,255	7,870	36,148,475	20,652,132	488	1,920,885	882,760	453	1,677,553	759,363
Illinois: Chicago.....	116,882	707,344,169	349,609,748	109,185	683,733,133	339,960,421	1,831	6,888,193	3,102,867	5,866	16,722,843	6,546,460
Indiana: Indianapolis.....	61,615	285,152,730	148,981,808	56,988	269,199,925	141,674,629	2,150	8,763,908	4,114,989	2,477	7,188,897	3,192,190
Iowa: Des Moines.....	41,646	205,390,092	105,178,479	33,646	178,542,376	93,299,471	4,681	16,378,381	7,327,599	3,319	10,469,335	4,554,409
Kansas: Wichita.....	30,529	145,522,523	72,908,929	26,786	133,787,313	67,971,608	1,486	5,556,401	2,584,069	2,257	6,178,809	2,353,252
Kentucky: Louisville.....	25,680	129,235,232	65,923,392	22,363	115,799,473	59,954,870	1,827	8,673,158	4,175,968	1,490	4,762,601	1,792,554
Louisiana:												
New Orleans.....	23,991	135,084,026	74,278,457	23,069	132,682,707	73,424,954	143	373,889	174,782	779	2,027,430	678,721
Shreveport.....	11,369	51,960,931	29,700,605	10,669	49,891,711	28,761,609	412	1,042,939	497,236	288	1,026,281	441,760
Maine: Togus.....	15,244	63,230,635	34,367,188	13,166	57,118,809	31,538,975	446	1,580,598	734,490	1,632	4,531,228	2,093,723
Maryland: Baltimore.....	41,563	258,002,662	132,623,094	39,720	252,480,582	130,606,749	235	1,390,542	636,103	1,608	4,131,538	1,380,242
Massachusetts: Boston.....	120,127	813,175,307	374,808,894	114,206	795,190,568	367,682,312	146	946,506	420,942	5,775	17,038,233	6,723,640
Michigan: Detroit.....	127,165	838,622,921	437,997,961	122,146	822,457,047	431,490,592	950	3,891,001	1,851,205	4,069	12,274,873	4,656,164
Minnesota: St. Paul.....	53,778	333,511,064	168,319,402	45,638	307,292,805	157,695,800	3,209	12,554,481	5,491,329	4,931	13,663,778	5,132,273
Mississippi: Jackson.....	16,618	74,293,730	41,926,700	14,075	67,010,824	38,378,824	2,059	5,595,097	2,751,160	484	1,687,809	796,716
Missouri:												
Kansas City.....	40,251	203,188,310	109,875,537	34,591	184,024,887	101,625,669	2,859	11,956,642	5,528,231	2,801	7,206,981	2,721,637
St. Louis.....	28,996	180,090,971	89,852,439	25,351	169,542,895	84,980,561	1,623	5,608,602	2,607,633	2,022	5,539,474	2,264,245
Montana: Fort Harrison.....	6,419	30,934,235	16,196,182	4,984	26,006,466	14,041,436	473	1,698,830	761,612	962	3,228,939	1,393,134
Nebraska: Lincoln.....	17,361	78,287,210	40,943,513	14,668	70,597,562	37,429,583	1,478	4,170,168	1,965,853	1,215	3,519,480	1,548,077
Nevada: Reno.....	2,132	10,101,225	5,642,181	1,886	9,170,079	5,272,200	72	310,111	139,984	174	621,035	229,997
New Hampshire: Manchester.....	16,711	79,774,313	38,681,370	14,841	72,995,021	35,909,516	230	1,079,936	497,627	1,640	5,699,356	2,274,227
New Jersey: Newark.....	131,089	876,957,322	446,772,456	120,222	853,759,353	442,297,964	104	721,075	327,299	10,763	22,476,894	4,147,193
New Mexico: Alhuerquerque.....	11,577	50,891,009	29,390,624	10,564	47,166,009	27,870,425	332	1,189,637	428,984	681	2,535,363	1,091,215
New York:												
Albany.....	31,231	173,788,291	87,195,966	27,667	161,904,867	82,366,259	753	3,514,243	1,561,351	2,811	8,369,181	3,268,356
Buffalo.....	55,421	367,469,350	184,611,012	52,701	356,431,936	179,935,934	704	3,101,945	1,439,679	2,016	7,935,469	3,235,399
New York.....	185,171	1,179,697,618	550,110,837	143,695	1,090,868,707	534,594,106	60	428,454	171,525	41,416	88,400,457	15,345,206
Syracuse.....	30,091	206,896,859	104,330,694	32,000	192,577,169	98,450,062	1,138	5,034,653	2,258,870	2,953	9,285,037	3,621,762
North Carolina: Winston- Salem.....	38,605	199,483,876	102,437,588	37,111	193,441,831	99,709,820	478	2,328,909	1,109,615	1,016	3,713,136	1,618,153
North Dakota: Fargo.....	8,147	34,307,414	17,105,835	4,761	24,778,391	12,579,208	2,051	5,508,573	2,680,098	1,335	4,020,450	1,846,529
Ohio:												
Cincinnati.....	54,620	322,191,672	157,595,247	51,908	310,779,579	152,416,665	1,364	6,553,050	2,990,221	1,348	4,859,043	2,188,361
Cleveland.....	92,224	591,863,992	302,654,630	90,070	582,488,971	298,664,897	738	4,327,327	1,969,072	1,416	5,047,694	2,020,661
Oklahoma:												
Muskogee.....	17,655	71,541,367	40,875,193	16,074	67,154,496	38,841,861	970	2,453,240	1,146,206	611	1,933,631	887,126
Oklahoma City.....	41,941	224,652,909	124,834,844	40,161	217,749,028	121,807,818	905	3,816,001	1,654,668	875	3,087,880	1,372,358
Oregon: Portland.....	19,400	103,440,407	53,530,110	15,866	92,648,531	50,099,032	725	2,980,393	1,213,560	2,809	7,811,483	2,217,518
Pennsylvania:												
Philadelphia.....	97,487	569,278,268	293,349,302	95,423	563,203,670	291,042,968	114	731,204	310,088	1,950	5,343,394	1,966,246
Pittsburgh.....	73,550	405,856,591	207,019,689	68,692	389,583,305	200,676,396	996	4,643,902	2,212,851	3,862	11,629,384	4,130,442
Wilkes-Barre.....	45,765	217,106,988	110,703,058	41,674	200,534,823	103,216,331	1,297	6,249,021	2,935,416	2,794	10,323,144	4,551,311
Puerto Rico: San Juan.....	4,229	4,046,793	3,542,275	3,927	3,201,380	3,141,075	2	4,300	4,300	300	841,113	396,900
Rhode Island: Providence.....	21,132	135,175,096	67,472,750	20,134	131,651,560	66,009,974	11	85,100	33,300	987	3,438,436	1,429,476
South Carolina: Columbia.....	23,591	123,977,743	64,936,727	21,964	118,804,093	62,610,764	488	1,477,277	694,219	1,139	3,696,373	1,631,744
South Dakota: Sioux Falls.....	7,157	27,157,559	13,892,419	4,249	19,230,973	10,484,737	1,713	4,419,787	1,931,198	1,195	3,506,799	1,476,484
Tennessee: Nashville.....	48,523	241,671,230	133,264,039	46,669	233,911,824	129,860,000	1,046	4,961,090	2,311,545	808	2,798,316	1,092,494
Texas:												
Dallas.....	50,423	254,592,033	133,499,742	46,639	242,236,164	127,793						

Loans approved for guaranty or insurance number, principal amount, and amount of guaranty or insurance cumulative through Dec. 25, 1951—Continued

Regional office	All loans			Home loans			Farm loans			Business loans		
	Num-ber	Prin-cipal amount	Guaranty or insurance	Num-ber	Prin-cipal amount	Guaranty or insurance	Num-ber	Prin-cipal amount	Guaranty or insurance	Num-ber	Prin-cipal amount	Guaranty or insurance
Virginia: Roanoke.....	38,504	\$202,120,989	\$105,389,606	36,169	\$193,308,715	\$101,414,912	807	\$3,827,869	\$1,794,880	1,528	\$4,984,405	\$2,179,814
Washington: Seattle.....	65,708	354,384,119	187,195,264	62,039	343,242,117	183,244,575	403	2,212,696	932,570	3,266	8,929,306	3,018,119
West Virginia: Huntington.....	15,461	72,157,335	38,694,567	14,461	68,601,969	37,021,582	390	1,311,362	646,082	610	2,244,004	1,026,903
Wisconsin: Milwaukee.....	41,959	248,868,832	122,855,064	36,003	225,756,603	112,847,620	2,556	11,559,765	5,255,716	3,400	11,552,464	4,751,728
Wyoming: Cheyenne.....	4,268	22,251,270	12,177,863	3,786	20,368,674	11,366,983	151	712,433	309,888	331	1,170,163	500,992

Number and amount of direct loans fully disbursed by the Veterans' Administration from initiation of program (July 1950) through Dec. 15, 1951

Regional office	Number of loans (by purpose)			Initial principal amount			Regional office	Number of loans (by purpose)			Initial principal amount		
	Pur-chase of com-pleted home	Con-struc-tion of home	Con-struc-tion or im-prove-ment of farm-house	Total, all types	Total	Aver-age amount		Pur-chase of com-pleted home	Con-struc-tion of home	Con-struc-tion or im-prove-ment of farm-house	Total, all types	Total	Aver-age amount
Total, all regions.....	15,449	766	33	16,248	\$104,111,639	\$6,408	New Hampshire: Manchester.....				None		
Alabama: Montgomery.....	915	10	7	932	6,196,273	6,648	New Jersey: Newark.....				None		
Alaska: Juneau.....	307	4	0	311	2,681,200	8,396	New Mexico: Albuquerque.....	344	2	2	348	\$2,598,985	\$7,468
Arizona: Phoenix.....	7	8	0	15	93,610	6,241	New York:						
Arkansas: Little Rock.....	168	6	1	175	1,001,965	5,726	Albany.....	5	0	0	5	21,247	4,249
California:							Buffalo.....	20	1	0	21	123,185	5,866
Los Angeles.....	23	0	0	23	169,075	7,351	New York City.....				None		
San Diego.....	59	18	0	77	582,973	7,571	Syracuse.....	10	2	0	12	68,950	5,746
San Francisco.....	118	5	0	123	987,816	8,031	North Carolina: Winston-Salem.....	330	14	0	344	2,126,667	6,182
Colorado: Denver.....	291	10	0	301	2,019,907	6,711	North Dakota: Fargo.....	239	24	1	264	1,542,650	5,843
Connecticut: Hartford.....				None			Ohio:						
Delaware: Wilmington.....				None			Cincinnati.....	128	0	0	128	680,471	5,316
District of Columbia: Washing-ton.....				None			Cleveland.....	264	13	0	277	1,866,790	6,739
Florida:							Oklahoma:						
Miami.....	13	0	0	13	88,004	6,770	Muskogee.....	87	12	0	99	545,750	5,513
Jacksonville.....	311	27	0	338	2,399,250	7,098	Oklahoma City.....	61	0	0	61	350,150	5,740
Georgia: Atlanta.....	755	1	3	759	4,646,250	6,122	Oregon: Portland.....	73	0	0	73	424,926	5,821
Idaho: Boise.....	51	8	0	59	382,038	6,475	Pennsylvania:						
Illinois: Chicago.....	306	8	0	314	2,089,477	6,495	Philadelphia.....				None		
Indiana: Indianapolis.....	768	42	0	810	4,407,950	5,442	Pittsburgh.....	263	7	0	270	1,620,982	6,004
Iowa: Des Moines.....	305	3	0	308	1,808,700	5,872	Wilkes-Barre.....	367	2	0	369	2,302,844	6,241
Kansas: Wichita.....	103	0	0	103	618,425	6,004	Puerto Rico: San Juan.....	56	16	1	73	565,600	7,748
Kentucky: Louisville.....	1,562	68	8	1,638	10,276,075	6,274	Rhode Island: Providence.....				None		
Louisiana:							South Carolina: Columbia.....	257	13	0	270	1,691,890	6,266
New Orleans.....	288	81	2	371	2,577,400	6,947	South Dakota: Sioux Falls.....	332	25	0	357	2,384,975	6,681
Shreveport.....	213	67	2	282	1,851,414	6,565	Tennessee: Nashville.....	447	1	0	448	2,685,200	5,994
Maine: Togus.....	149	0	0	149	744,009	4,993	Texas:						
Maryland: Baltimore.....	180	4	1	185	1,275,334	6,894	Dallas.....	62	4	0	66	417,677	6,328
Massachusetts: Boston.....				None			Houston.....	246	0	0	246	1,646,335	6,692
Michigan: Detroit.....	56	0	0	56	315,305	5,630	Lubbock.....	266	0	1	267	1,746,850	6,543
Minnesota: St. Paul.....	149	4	0	153	908,419	5,937	San Antonio.....	32	0	0	32	220,360	6,886
Mississippi: Jackson.....	661	2	2	665	4,493,650	6,757	Waco.....	183	0	0	183	1,133,895	6,196
Missouri:							Utah: Salt Lake City.....	107	7	0	114	695,468	6,101
Kansas City.....	205	0	0	205	1,258,454	6,139	Vermont: White River Junction.....	9	0	0	9	34,430	3,826
St. Louis.....	326	10	1	337	2,075,900	6,160	Virginia: Roanoke.....	879	101	0	980	6,520,490	6,654
Montana: Ft. Harrison.....	487	28	1	516	3,510,009	6,802	Washington: Seattle.....	63	1	0	64	414,300	6,473
Nebraska: Lincoln.....	209	32	0	241	1,571,398	6,520	West Virginia: Huntington.....	684	25	0	709	4,118,170	5,808
Nevada: Reno.....	88	4	0	92	652,159	7,089	Wisconsin: Milwaukee.....	483	36	0	519	3,310,858	6,379
							Wyoming: Cheyenne.....	79	10	0	89	619,105	6,956

[No. 283]

COMMITTEE ON VETERANS' AFFAIRS, HOUSE OF REPRESENTATIVES

HOUSING AND HOME FINANCE

AGENCY,

OFFICE OF ADMINISTRATOR,

Washington, D. C., May 16, 1952.

Re H. R. 7656, Eighty-second Congress.

Hon. JOHN E. RANKIN,

Chairman, Committee on Veterans' Affairs, House of Representatives, Washington, D. C.

DEAR CONGRESSMAN RANKIN: This is in response to your telephone request of May 15, for the views of this Agency on title III of H. R. 7656, the Veterans' Readjustment Assistance Act of 1952, as set forth in the committee print of the bill dated May 15.

Title III of this bill is similar to title IX of H. R. 6895, Eighty-second Congress, on which this Agency furnished a report to your

committee on March 14. Title III of H. R. 7656 contains amendments to title III of the Servicemen's Readjustment Act of 1944 relating to loans to veterans for the purchase or construction of homes, farms, and business property. These amendments would, among other things, extend the benefits of title II of the act to veterans who served during the period of the Korean conflict.

The comments contained in our report on title IX of H. R. 6895 are also applicable to title III of H. R. 7656, except with respect to the builders' warranty provisions. This Agency has no objection to such provisions in section 304 of H. R. 7656.

In view of your request for an immediate report, this Agency has not had sufficient time to obtain the views of the Bureau of the Budget on this letter. As soon as we have obtained these views, we shall advise you further. As you know, the Bureau of the Budget advised us that there was no ob-

jection to the submission of our report on title IX of H. R. 6895. As stated in that report:

"The Bureau of the Budget also advises that enactment of the provisions of the bill extending the present housing loan guaranty program to Korean veterans would not be in accord with the program of the President, unless responsibility for administration of such program, in the event such an extension is felt to be necessary, is vested in the Housing and Home Finance Agency."

If we can be of further assistance on this proposed legislation, please let us know.

Sincerely yours,

RAYMOND M. FOLEY,
Administrator.

Mr. RANKIN. Mr. Speaker, I reserve the remainder of my time.

Mr. KEARNEY. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Speaker, the gentleman from Texas [Mr. TEAGUE] and members of the Committee on Veterans' Affairs have done a monumental job. I hope this bill is approved.

In common with other Members, I am also the author of a bill to give the Korean GI's the same benefits as those in World War II.

My purpose in asking for this time is to emphasize that we not only give benefits to our veterans but we give them dignity. It is something that all ought to think about and I hope there will not be many who will not when this Korean action became necessary. I think the history which we had in Manchuria in 1931 and in the Rheinland in 1934, when we let Japan and Germany, respectively, get away with armed aggression which brought on World War II, demonstrates that even though we have allies, some of whom find it impossible to help as much as we feel they should due to their internal situation, and some of whom are busy in other places, the essential job had to be done. History will prove that if world war III is prevented, which we are trying to do, it will have been prevented because we took this first step to stop armed aggression when it threatened us in this important area of the world.

Mr. RANKIN. Mr. Speaker, I yield to the gentleman from Tennessee [Mr. PRIEST] such time as he may desire.

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that my colleague, the gentleman from Tennessee [Mr. EVINS] may extend his remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. EVINS. Mr. Speaker, there is no need for me to go into the provisions of this bill today under consideration to extend benefits of the Servicemen's Readjustment Act to veterans of the Korean conflict. I know that the Membership is familiar with the provisions of the measure which the Committee on Veterans' Affairs has unanimously reported and, I sincerely trust, that we are all in agreement as to the great necessity to act without delay in this matter.

I do want to say briefly however, that it is my belief that the measure which is before the House today represents a great and vast improvement over the original bill which the Congress enacted in behalf of the veterans of World War II. The reasons for this are clear. The original bill itself was improved through amendment and otherwise over the months following its enactment and as this great program of veterans benefits has been in operation. The new bill thus profits through experience gained in the amendment and administration and operation of the original program.

Further—and of the greatest importance—the new bill for the benefit of our Korean veterans is also based upon what was learned by the thorough and complete investigation of the GI educational and training program conducted by a

special committee of the Veterans' Affairs Committee. The bill before the House today incorporates experience thus gained and the knowledge thus gained and is an improved piece of legislation and will, I feel sure, result in greater benefits to the veterans themselves as well as in great economies in the administration of the program.

It is entirely safe to say that abuses and irregularities which plagued the original program and which resulted in much waste to the taxpayers will not be possible under the operation of the new GI bill.

The committee has written into the new measure safeguards which would prevent such abuses as have been disclosed to have existed in certain instances and the preying upon the veterans by operators of educational and training institutions who were more concerned with profits than with the welfare of the veterans. It assures benefits of college training; of vocational and trade training; of on-the-farm training and, at the same time, protects these rights for our Korean veterans through certain safeguards which experience has taught us are necessary.

Nearly 8,000,000 veterans—or approximately one half of all veterans of World War II entitled—participated in the GI educational and training program originally enacted.

It was a gigantic undertaking on the part of a grateful Nation—but it was a program almost universally approved by the Nation. Its benefits have been untold and it has proved the greatest gesture of gratitude that any Nation in history has ever extended to those who saw service in wartime—this despite incidences of abuses.

We are now confronted with the fact that there have already been some 800,000 Korean war veterans discharged. But, so far, no provision for GI benefits of education and training and otherwise has been made for them.

It is most imperative, therefore, that the Congress act with all speed to enact a new GI bill. Nearly 2 years have passed since the start of the Korean conflict—we cannot afford to delay in this matter longer. I sincerely trust and strongly urge that the House act today to safeguard the Korean veterans and provide the benefits to them which a grateful Nation provided for the veterans of World War II.

These 800,000 servicemen already discharged are entitled to these benefits and, in all fairness to them and to the hundreds who are daily following them back into civilian life, we should not delay enactment of this bill.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. GOLDEN. Mr. Speaker, this bill is before the Congress under a suspension of the rules. This procedure prohibits amending the bill and limits de-

bate to a very short time. However, it should be made clearly to appear that the intent of Congress is that these veterans, who are furnished with money to make up for their loss of educational opportunities while they are in the Armed Forces and in combat, may use this money if they prefer to attend private college, universities, and schools when these schools are established and meet the standards required.

In my opinion, it would be a great disservice to the veterans themselves, to the American people, and to the very large group of privately maintained schools if any limitation whatsoever should be placed in this bill that would prevent a free and equal opportunity to the veterans to attend private schools if the veteran should choose to do so.

From a domestic standpoint, there is nothing that is more important to the future progress, development, and welfare of the American people than to maintain, expand, and improve our educational institutions. The private schools of this Nation from the beginning of the Republic have made a distinct contribution to the education of our people. Tax supported schools and universities have likewise performed a good service for the youth of our country in educating them, but we have many universities, colleges, and schools that do not call upon the taxpayers for any support that furnish to our young people as good an education as can be obtained in any of the tax supported universities and colleges.

In addition to this, all of us are familiar with many schools and universities that are privately supported that give to our young people here in America not only a first class education, but they contribute invaluable spiritual and cultural opportunities that round out the development of the young people of America and build them into more useful and better equipped men and women and add materially to the standards of their moral character.

I think it should be pointed out that in many instances private schools, church schools, endowed schools that are not tax-supported make possibly a larger contribution to the spiritual development and culture of our young people than any other institutions in our land. In addition to this, two other factors should be made to appear. One is that many of these private colleges and universities are located throughout the country close to the homes of many of our Korean veterans, and if this bill is intended to give to our veterans an equal and unhampered opportunity to attend these private schools they can do so at much less expense than if they were required to travel long distances from their homes to go to school in a tax-supported university or college.

Another thing is most of our great tax-supported universities are and will continue to be crowded with students, they do not have sufficient buildings or equipment to accommodate all the students that wish to attend them, and if the Korean veterans have the clear right to attend these private schools it will

take a great load and surplus off of the public schools.

It is admitted by all that the money allowance to the veterans of the Korean conflict will most probably not be sufficient to meet all of the expenses incurred by these veterans in pursuing further their education. If they are allowed freedom in going to the private schools, colleges, and universities many veterans will be permitted to accept the benefits of this bill and go to some of these very fine private schools that are close to their homes, and thus we will be able to afford more veterans the opportunities of participating in this very beneficial legislation of Congress.

When the act is being administered by the authorities after it becomes a law, the intent of Congress should be made clearly to appear that these authorities that do administer the act have clear and complete authority to extend all of the benefits under the act to any Korean veteran in America that wishes to attend these private schools, and I most sincerely hope that the members of the committee on both sides of the aisle will agree that this is the true intent of the Congress and that when the act does become law that the administrators of these funds may have no hesitancy or doubt that they can give all of the assistance provided in this act to each and every veteran that wishes to attend our private schools when these schools meet the standards required.

Mr. RADWAN. Mr. Speaker, I believe that the legislation before us is a fair and equitable bill. I listened with a great deal of interest as a member of the Veterans' Affairs Committee, to almost all of the testimony that was presented at the hearings before us. This worthy legislation has the approval and endorsement of all the veterans' organizations which appeared before us. Parenthetically, I should point out that the American Legion, because of a convention mandate, went on record as favoring an extension of benefits to the Korean war veterans identical with those given to the veterans of World War II, but the American Legion did not and does not oppose the bill before us. One of the most important features of the legislation reported by our committee is that it eliminates much of the waste and abuse which occurred under the original GI bill, and substantially reduces the cost of the veterans' educational program.

Many veterans involved in the Korean conflict are being discharged at the present time. Thousands more will continue to be separated from the service. Many will resume education and training which were interrupted by their period of service. This bill will give them an opportunity to enroll in school or in on-the-job training this September. Like the original GI bill, it is a just and deserving benefit, humbly offered by a grateful nation to those who sacrificed and gave when called upon. Regardless of minor criticisms that can be leveled against this legislation, it should be passed with unanimous approval by this House. Let us not delay. The bill is a good one. Let us, with speedy legislative justice, discharge our responsibility. I sincerely

trust, Mr. Speaker, that this legislation will have the unanimous approval of this House.

Mr. ABERNETHY. Mr. Speaker, on May 12, 1944, the House of Representatives considered and passed the Servicemen's Readjustment Act for the benefit of Veterans of World War II. The bill was generally referred to as the GI bill of rights and was sponsored by the American Legion. At that time, Mr. Speaker I was in my first term as a Member of this body and was serving as a member of the Committee on World War Veterans' Legislation which reported the bill. It was the most comprehensive piece of veterans legislation ever to pass this body and I am glad to have had a part in its preparation and final enactment.

Mr. Speaker, within eight short years we find ourselves considering similar legislation for the benefit of another group of veterans of another war. Does this not compel us to pause and wonder whether or not every generation of America's sons is going to have to participate in the mass slaughter, the suffering and heartache that goes with war? Mr. Speaker, I wonder if the Congress will find itself considering similar legislation for another group of veterans 8 or 10 years hence—for the benefit of little boys who are now 8 or 9 or 10 years of age? May God grant, Mr. Speaker, that the leaders of all nations may soon come together in a spirit of brotherly love and bring peace to this sore and bleeding world. Veterans' benefits are fine and I am for them and for this bill. But the greatest benefit that can be brought to America's youth is the privilege and opportunity of living in a world at peace. May God speed the day.

Mr. Speaker, I am for this bill. It grants benefits similar to those which we provided for veterans of World War II. It grants benefits to a group of young men who have participated in the most cruel conflict of all time, the Korean war which has so often been most improperly referred to as a "police action." America's dead and wounded and the tortures which have beset our living sons in Korea testify to the ruggedness and bitterness of this 2-year struggle.

I welcome the opportunity to vote for this bill, Mr. Speaker. I hope that it passes without a dissenting vote.

Mr. LECOMPTE. Mr. Speaker, I feel that this bill should be passed at the earliest possible moment to assure time for consideration by the other body and perhaps for reconciling differences in conference in the versions of the two Houses and so that there will be no difficulty in getting the bill in final form and approved before recess or adjournment. Personally I favor the Springer amendment or something similar that will enable veterans to attend the colleges and universities of their choice without being penalized. Of necessity, most privately supported and endowed institutions have to charge a higher rate of tuition than tax-supported universities and they are performing a service that can hardly be estimated. Also, the State schools cannot possibly take care of all the young folks who desire to attend college.

Neither do I like any provision that authorizes a school to charge a veteran a higher rate of tuition than is regularly charged to students who have not been in the armed services or have exhausted their GI benefits. Otherwise I believe the bill is a good one and must be passed without delay.

Mr. BENNETT of Florida. Mr. Speaker, it would be tragic if this House failed to do its duty and failed to pass this legislation now. It has been overdue for a long time. Many Korean war veterans have already returned home; and the benefits of this bill come very late for them.

I wish to take advantage of this opportunity to say that there is another tardily handled piece of legislation concerning this war. I refer to the combat infantry pay bill. It makes me ashamed of myself that I have not been able to secure hearings on that legislation; and I sincerely hope that the immediate passage of the GI bill now before us will act as a stimulus for favorable committee and congressional action on a combat infantry pay bill.

Mr. ELLIOTT. Mr. Speaker, I am happy to have this opportunity to speak for the passage of the bill, H. R. 7656, a GI bill of rights for veterans of the Korean war. This legislation has been too long delayed already. Shortly after the Korean conflict began on June 27, 1950, I endorsed the principle of providing educational and training benefits for those who were in the service at the time, and for all those called in subsequently, and introduced one of the first bills to provide such benefits. I am glad that the bill is now before us, and though there may be some minor provisions of the bill that all of us cannot agree upon, I believe that we should go ahead and pass this bill immediately, and as was true of the Servicemen's Adjustment Act of 1944, we can amend the law from time to time as conditions develop which make its amendment desirable.

EDUCATIONAL OPPORTUNITIES FOR KOREAN VETERANS

I hold to the view that one of the soundest investments this Government can make for the sake of our future is the provision of opportunity for education and training for veterans of our military, naval, and air service since June 27, 1950.

Those who have served in this time of emergency have lost the privilege and opportunity of continuing their education; their vocations have been interrupted or impeded. A program of education and training will provide vocational readjustment of unmeasured value both to the veteran who takes advantage of the opportunity afforded, and to the future well-being and security of this Nation. The education and training program will pay direct dividends for a period of 50 years or more, and the indirect benefits throughout the future are unmeasurable.

This bill provides 1½ days of education or training for each day of active service since June 27, 1950, with a maximum of 36 calendar months, which is sufficient for a 4-year academic college course. For those who take education

or training on a full-time basis, an allowance is paid of \$110 per month directly to the veteran. If the veteran has dependents, the allowance is \$150 per month. It will be observed that these payments are considerably higher than were the similar payments to veterans of World War II. The difference is that under the system set up by this bill the veteran will pay his own tuition rather than having it paid directly to the college by the Veterans' Administration, as was true following World War II.

The argument has been made that the system set up by this law will encourage the veteran to go to a State-supported institution where tuition costs are generally much less than in private schools. The answer to this contention, it seems to me, is that this bill provides benefits for the veteran, and leaves up to him the decision of where he will go to school. Recent correspondence coming to my office indicates that this system of direct payments to the veteran and leaving with him the responsibility of paying tuition will make no appreciable difference in the number who would otherwise attend private schools. Many veterans will undoubtedly want to attend private schools, and will use the direct monthly benefit provided by this bill as an aid in doing so. The primary emphasis in this bill is on the veteran. It leaves him a free choice as to where he will go to school. I think the bill is stronger by virtue of the fact that the veteran has the responsibility for the expenditure of the money allotted to him by this bill.

HOUSING

This bill provides the same housing aids and benefits now provided for veterans of World War II, including the privilege of participating in the direct-loan program for those veterans who live in rural areas where financing through private institutions is not available.

SOCIAL SECURITY

Each veteran of service since June 27, 1950, will be given an automatic wage credit of \$160 per month for the purpose of old-age and survivors insurance benefits.

MUSTERING-OUT PAYMENTS

Mustering-out payments provided by this bill are in the amounts of \$100 for less than 60 days of service; \$200 for more than 60 days of service; and \$300 for service overseas.

INSTITUTIONAL ON-THE-FARM TRAINING

This bill continues institutional on-the-farm training, and thus allows this great program which has done so much for World War II veterans to go forward now for Korean veterans. The payments to the trainee under this program are \$95 for the veteran without dependents, and \$120 for the veteran with dependents. These payments are subject to some reduction as the course of training progresses.

Mr. Speaker, this is just legislation. It should be passed today. Veterans of Korean service are being discharged in great numbers today. The sooner this program gets under way the better it will be for them, and for the country.

Mr. RANKIN. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. SECREST].

Mr. SECREST. Mr. Speaker, the committee has worked many, many weeks on this bill, heard testimony for weeks on end, and I think we have a very good bill reported to this House. It provides in substance for the same educational benefits to all veterans who have been in the service since June 27, 1950, or who will be in the service until Congress or the President acts to declare the present emergency over.

The bill also gives housing benefits to the veterans of this present war equal to those and identical with those given to the veterans of World War II. It goes even further than the benefits given to the veterans of World War II, because it guarantees that the veteran of the Korean war when he buys a house will get exactly what the plans and specifications call for, and the housing is warranted.

It further gives social-security benefits to every veteran in the service of \$160 each month that he serves. It gives mustering-out pay of \$100 to the veteran with less than 60 days' service; \$200 to a veteran with more than 60 days; and \$300 to a veteran with service overseas.

The bill also insures these veterans of unemployment rights when they return the same as was given the veterans of World War II.

This is my opinion is an excellent bill and one that is deserved by the veterans who are now serving in this period which we rightfully call the Korean war.

There is one difference in our committee and that is with respect to the payment of tuition to colleges and universities. There are those who feel, and I am inclined to agree, that there will be a better break possibly for the independent colleges that might otherwise be if tuition were paid direct to the college. This bill provides direct payment to the veteran. But I want to point out that these five major benefits that are guaranteed under this bill affect several million veterans right now, and already from the Korean conflict thousands of veterans have been returned home. Walter Reed and other hospitals in this country are discharging these veterans. They may want to go to college; they may want on-the-job training; they may want to go back home and have farm training, yet at the present time all these things are denied to them. Those veterans today are in the same state of uncertainty that the boys in the 18-19 age group are with respect to an education and planning for their life activity.

I do not think we ought to deny these benefits to these veterans, and even though the bill comes up under suspension and although I would favor normally the Springer amendment, I want to urge the Members of this House to pass this bill today so that the Senate will have time to act on it and it can become effective before this Congress adjourns.

There is no question in my mind that the veterans of the Korean war deserve

exactly the same treatment as was given to the veterans of World War II, and today is the day to begin giving it to them.

Mr. KEARNEY. Mr. Speaker, I yield 1 minute to the distinguished gentlewoman from Massachusetts, ranking minority member of the committee.

Mrs. ROGERS of Massachusetts. Mr. Speaker, this bill we have before us, H. R. 7656, is the result of a great deal of study and consideration by our Committee on Veterans' Affairs.

Shortly after the start of the Korean conflict, I introduced a bill in the Eighty-first Congress, H. R. 9468, which would extend to personnel of the Armed Forces engaged in operations against the forces of North Korea certain benefits provided by law for veterans of World War II. The date of this bill was August 17, 1950.

Our Committee on Veterans' Affairs took no action upon the proposal in the Eighty-first Congress. When the Eighty-second Congress convened, I reintroduced the bill, which was numbered H. R. 353.

Many Members of the House spoke to me in this interval, urging that something be done to take care of the men and women who would soon be coming back to civilian life after their Korean service.

While the committee recognized the great need for the legislation, there was a feeling that legislative action should be deferred until a report had been made by the special committee created by House Resolution 474 to investigate the education and training program of the Servicemen's Readjustment Act. This committee was headed by the very able Hon. OLIN E. TEAGUE, of Texas, and it held numerous public hearings not only here in Washington but out in the field. Its report was a comprehensive one and it pointed out conclusively many of the deficiencies in the old GI bill of rights. It also made certain recommendations which the special committee believed should be followed in the extension of similar benefits to men serving on or after June 27, 1950.

The Eighty-first Congress, had through the enactment of Public Law No. 894, dated December 28, 1950, taken care of the vocational rehabilitation of the combat wounded men by extending to them the privileges of Public Law No. 16, Seventy-eighth Congress.

I did not agree, but it was felt that this legislation would suffice for the immediate present by caring for the large number of veterans who were being discharged from the hospitals after treatment for their combat-incurred disabilities. It was felt also, but I did not agree, that there would not be a great demand for the benefits of Public Law No. 346, Seventy-eighth Congress, until enlistment periods had expired or rotation of troops had progressed to a point where a great number of Korean conflict men were returning to civilian status. Legislation to give the men GI benefits should have been made available immediately on their discharge.

That, to some extent, explains the long delay in presenting this proposal to Congress. As soon as the so-called Teague report was printed, Chairman RANKIN scheduled public hearings upon all of the Korean veteran-benefit bills that had been referred to our committee. There were 39 of these measures. That, to my mind, is most indicative of the great interest in this legislation. From the period of February 6, 1952, through March 11, 1952, these public hearings were held. There were 14 of these hearings. Prior to the hearings every Member of Congress was invited to testify, and a number of them availed themselves of the opportunity.

After prolonged testimony by the officials of the Veterans' Administration, detailed evidence was heard by representatives of the Department of Defense, Office of Education, General Accounting Office, Bureau of the Budget, American Legion, Veterans of Foreign Wars, Disabled American Veterans, AMVETS, American Council on Education, American Association of Junior Colleges, Association of Land Grant Colleges, American Vocational Association, National Association of State Approval Agencies, and representatives of certain associations of private schools. There were a number of statements and suggestions for changes in the administration of the act filed with the Committee and these were incorporated in the hearings. The printed hearings comprised a volume of 945 pages of testimony and statements.

I mention this to emphasize the thoroughness with which the committee considered the proposal. Throughout the testimony and during the questioning of the witnesses it was apparent that the primary interest of all of the committee members was the protection of the veterans' interests. It was equally apparent that every effort would be made to correct the deficiencies that existed in the original GI bill of rights. The Teague committee investigation had spotlighted many of these, and great care was used to plug these loopholes.

Immediately after the completion of the public hearings, the staff of the committee met in round-table conferences with representatives of the Veterans' Administration, Bureau of the Budget, General Accounting Office, Office of Education, Housing and Home Finance Agency, Internal Revenue Bureau, Social Security Administration, Treasury Department, Department of Labor, and the Federal Trade Commission. There were 16 of these conferences, at which the bill was gone over, word for word, and a clean bill was prepared for submission to the committee.

On May 14, 1952, this clean bill was considered by the Committee on Veterans' Affairs in executive session, and after the deletion of certain parts and the addition of others it was voted unanimously to report to the House the measure you have before you today.

I do not say that it is a perfect bill. I do not feel it is. The subject is a broad one, and it is exceedingly difficult to obtain unanimity between 24 Members of Congress on so broad a proposal as this

encompasses. I had hoped that the committee would accept the recommendations made by the American Legion and provide for readjustment allowances, as was afforded veterans of World War II. However, the majority of the members of the committee did not go along with this viewpoint and my amendment to effect it was voted down.

The proposal in this bill to pay all necessary funds directly to the veteran instead of paying them subsistence allowance only and having the Federal Government reimburse the institutions for tuition fees, books, supplies, and so forth, was one in which I do not fully concur. I am wondering whether or not it will be in the best interests of the veteran and his educational future. A careful reading of the Teague Report shows that there were many abuses and sharp practices under the old method. However, I am not sure that paying the money direct to the veteran is the cure for the objectionable conditions. Under this measure as you have it before you today all payments are made to the veteran directly, the theory being that it will enable him to deal with the school on the same basis as any other student. Here again it was emphasized that the committee was mainly concerned with the veteran and not with any benefit that might flow to schools or others as a result of the enactment of this legislation. I sincerely hope that it will work out this way. The Committee points out in its report upon the bill that the direct payment to the veteran would, in effect, establish a scholarship grant between the veteran and the Federal Government and relieve educational institutions of an agency responsibility that has been time consuming and expensive both for the Government and for the individual institutions.

Mr. TEAGUE. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Texas.

Mr. TEAGUE. Will the gentlewoman tell the House in what way she is dissatisfied with the bill?

Mrs. ROGERS of Massachusetts. As the gentleman knows, I introduced a bill which would provide for reenactment of the old World War II Veterans Readjustment Act. That would give unemployment insurance, the boys could get mustering-out pay through another committee, the Armed Services Committee; also I think the men should be permitted to go to the colleges they want to. As is provided in this bill, I think too many colleges will be unable to take care of the number of men who will apply.

Mr. RANKIN. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. ROGERS.]

Mr. ROGERS of Texas. Mr. Speaker, this legislation is very important and speed is essential. There are some objections I have to the bill. One is the requirement that veterans may be required to pay \$31 a month to tax-maintained institutions. I do not think that is right and I hope the Senate takes that out. Should the Senate fail to do so, I

intend to introduce separate legislation to correct that situation.

But I am going to vote for the bill under suspension of the rules because we have delayed long enough in taking care of these veterans of Korea. Our duty is to the veterans and the payments should be made directly to them so that they can attend to their own business and the school of their choice. This bill was not designed as a Federal-aid-to-education bill, but as means of partially meeting our obligations to these courageous men who have given so much and asked so little. Let us exhibit the same faith in the ability of these men to handle their own affairs as we have in their ability to meet and stop the enemy. Time is of the essence and we must not delay longer. Let us measure up to our responsibility.

Mr. DEVEREUX. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Texas. I yield to the gentleman from Maryland.

Mr. DEVEREUX. Has not a rule been granted providing 2 hours general debate on this bill?

Mr. ROGERS of Texas. I do not know.

Mr. DEVEREUX. Will the chairman give us that information?

Mr. RANKIN. It has been before the Rules Committee but there is some controversy about leaving it open to all kinds of amendments.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Texas. I yield to the gentleman from Georgia.

Mr. COX. The truth ought to be stated on the floor as regards the action taken by the Rules Committee. The Rules Committee granted a rule on this bill but made the request that the Springer amendment be permitted to be offered on the floor.

Mr. RANKIN. The rule that the Rules Committee proposed to grant would have thrown the bill open to all kinds of amendments.

Mr. COX. It would not do any such thing.

Mr. RANKIN. Yes; it would. The House Parliamentarian says it would.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Texas. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Representing the minority on the Rules Committee, may I say that the rule contemplated, which has not been reported—we were not given the opportunity to report it—would have made it open to only one amendment and would not have opened the bill for all sorts of amendments. At least that is my understanding.

Mr. ROGERS of Texas. Mr. Speaker, I do not yield further and yield back the balance of my time.

Mr. RANKIN. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, in response to the question asked by the gentleman from Maryland I desire to say that the committee overlooked the fact that this entire bill is an amendment, and the rule that was proposed or that was offered would have

thrown it open to all sorts of amendments. The request we had and the rule we asked for provided that amendments be limited to committee amendments. That was eliminated by the Rules Committee, which in my opinion—and I think I know the rules of the House as well as any man in here—would have thrown the entire bill open to amendments. I say that with all deference to the Rules Committee. For that reason I asked permission, which was granted, to take the bill up under suspension of the rules.

Mr. Speaker, I reserve the balance of my time.

Mr. KEARNEY. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. O'KONSKI].

Mr. O'KONSKI. Mr. Speaker, this bill is the result of a very thorough study that has been made by a subcommittee of the Committee on Veterans Affairs of the House. The most important thing to remember about this bill is that it eliminates the abuses we found to exist under the GI bill of rights which we passed for the veterans of World War II. For instance, this bill eliminates what we commonly call the 50-20 Club. We found that as the result of the bill which was passed during World War II there were altogether too many abuses of the so-called 50-20 Club.

Mr. SECREST. Mr. Speaker, will the gentleman yield?

Mr. O'KONSKI. I yield to the gentleman from Ohio.

Mr. SECREST. I might point out on the question of unemployment benefits that a subcommittee is to be appointed by the Committee on Veterans Affairs to study that whole question. We left it out of this bill because of the controversy.

Mr. O'KONSKI. That is right. Furthermore, under the old bill it was possible, for instance, for a veteran to study the mixing of cocktails and get benefits under the GI bill of rights; it was possible for him to get a course in golf or some other pleasure. This bill cuts out all of those frills. We can, in good conscience, vote for this bill because it eliminates all of the abuses of the GI bill of World War II.

Mr. KEARNEY. Mr. Speaker, I yield 4 minutes to the gentleman from Maryland [Mr. DEVEREUX].

Mr. DEVEREUX. Mr. Speaker, apparently there seems to be a great deal of misunderstanding as to the rule. As a member of the Committee on Veterans' Affairs my understanding was that a closed rule had been granted, that 2 hours of debate would be allowed, and that committee amendments would be permitted to be presented. The next thing, we turn around and find that they are coming in with a suspension of the rules. My personal opinion is when such great sums of money are involved, where the provisions of this bill have no termination date, that we should stop and think about it and discuss it a little bit more; at least, by the Committee on Veterans' Affairs, the people who have studied this situation.

I will say in support of the bill that by and large it is an excellent bill and has eliminated many of the deficiencies that were in the original GI bill. However, when we have these controversial matters which would have been pointed out to you had we had time for debate, I believe they would have been changed. I refer to two things that have not been touched on so far. We provide \$110 a month allowance for an unmarried veteran, or GI without any dependents at all, and should he acquire one dependent his benefits then increase to \$150 a month. Of course, some of you people may agree with that: personally I do not. I think that you will find with the GI with a wife and no children, the wife being able to go out and work and supplement their income, living next door with the wife with one, two or three children, that there should be a differential. More, it will save a great deal of money.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. DEVEREUX. I yield to the gentleman from Mississippi.

Mr. COLMER. I just want to compliment the gentleman on his statement about bringing a bill of this magnitude up under suspension of the rules. I will not discuss the merits of the particular rule, but there seems to be a growing tendency here to bring up bills of great magnitude like this where we only have 20 minutes on a side for discussion. I think the gentleman is eminently correct.

Mr. DEVEREUX. I thank the gentleman.

Here is another point I invite your attention to. By and large the provisions of this bill are Federal aid to the GI and not Federal aid to education. However, we make one exception. As to any tuition-free schools, we then permit that school to charge the GI \$31 a month out of his allowance. Now, it does not make any difference if the money is coming from the Federal Government, that GI, in going to school, will have to reach down into his pocket and pay out \$31 a month for his education, whereas the young man next door, who did not serve one single day in the service, will go to that school absolutely free.

Mr. LECOMPTE. Mr. Speaker, will the gentleman yield?

Mr. DEVEREUX. I yield to the gentleman from Iowa.

Mr. LECOMPTE. Does the gentleman mean to say that this bill discriminates against the veterans that want to go to school?

Mr. DEVEREUX. In that particular exception, it does.

Mr. LECOMPTE. In other words, the school can charge the veteran more than it can a private citizen?

Mr. DEVEREUX. In this particular exception, when the school does not charge any tuition whatsoever, we make in this bill a provision so that they can charge the GI.

Mr. LECOMPTE. Why would they not charge anyone else the same as they charge the GI?

Mr. DEVEREUX. That is the general provision of the bill, but it does make this one exception.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. DEVEREUX. I yield to the gentleman from Illinois.

Mr. SPRINGER. Let me say this to those who live in New York City. Take CCNY or Hunter College, you can go to those schools, as I understand; to tax-free institutions. Any student can go there. If a GI comes out of Korea and comes back to New York City in order to attend Hunter College or City College of New York, he has to pay \$31 a month out of his allowance. If that is a fair proposition to any veteran, I will eat your hat.

Mr. RANKIN. Mr. Speaker, I yield such time as he may desire to the gentleman from Alabama [Mr. BATTLE].

(Mr. BATTLE asked and was given permission to revise and extend his remarks.)

Mr. BATTLE. Mr. Speaker, I arise at this time to protest this method of considering such an important measure as H. R. 7656.

My colleague, the gentleman from Texas, Representative TEAGUE, has done a fine job of helping to ferret out abuses in the old law and we are all indebted to him for his good work in this regard and for his proposals for improvements. I not only congratulate him for these accomplishments but I would also like to extend my congratulations to the other members of the committee.

I know that the gentleman from Texas, Representative TEAGUE, like each of us here today, wants to act as expeditiously as possible in the interest of our veterans and our country. However, Mr. Speaker, I have some questions about some of these proposals which I think are important so I am sorry that it is not possible for us to have full debate under the rules and have the opportunity to amend this important bill. It is my understanding that some of the proponents of this legislation say that the Springer amendment is actually a proposal to provide extra Federal aid to a favored group of private schools and that H. R. 7656 provides equal treatment to all veterans and furthermore it was written as a veteran aid bill and not a Federal aid to education bill designed to subsidize certain categories of schools. This statement standing alone about private schools is not enough to convince me on this particular point which shows the need for debate and substantiating evidence. Also, I do not concede that equal treatment is being given to all veterans under the proposed legislation.

Another serious question that I have in mind, Mr. Speaker, involves a situation that is especially acute in the South. The fact is that in certain specialized types of training we have not had adequate facilities in the past. Therefore in instances where no schools existed prior to the original GI bill of rights and adequate facilities do not exist today the feature of the proposed legislation requiring one-fourth of the students to be

non-GI's would eliminate certain types of training facilities from being established or reestablished in our area. Consequently, there can be no such thing as equal treatment of our veterans compared to those in areas where such schools are already established.

The fact of the matter is that all of us here today want to eliminate the evils and abuses and make sure insofar as possible that our deserving veterans get the best educational advantages possible. We are also in agreement, I am sure, in our desire to see that the tax dollar is expended in the wisest and most efficient system that can be devised but the fact remains that all of these points have not been clarified and that under the existing rules they cannot be clarified because there is not sufficient time for debate and amendments are not in order.

It is my intention, Mr. Speaker, to support the principles of this legislation and I am hopeful that the House will be given an opportunity to debate this measure in full so that we can come out with the best possible legislation in the interest of our veterans and our country.

Mr. RANKIN. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Speaker, this is timely legislation for which, in my opinion, there is not only a need but a positive requirement. The men who have fought in the Korean war have fought in the meanest war in which this country has engaged in our times. This bill pays a deserved tribute to them. I commend and congratulate the committee most highly on bringing this legislation to the floor. It should pass unanimously.

(Mr. SIKES asked and was given permission to revise and extend his remarks.)

Mr. KEARNEY. Mr. Speaker, I yield 4 minutes to the gentleman from Indiana [Mr. ADAIR].

(Mr. ADAIR asked and was given permission to revise and extend his remarks.)

Mr. ADAIR. Mr. Speaker, we are here to consider a bill giving rights to Korean veterans similar to those rights which were extended to veterans of World War II by Public Law 346, of the 78th Congress, commonly referred to as the GI bill of rights. Let me make it clear at the outset that I believe our national policy of providing educational and other benefits to our war veterans is firmly established, and should be continued. The only question then before us today is as to implementation of that policy. Let me make it further very clear that I favor an extension of benefits to veterans of the Korean fighting. We must extend them substantially the same benefits as were given to veterans of World War II, being guided, however, in writing this new legislation by the experiences which were gained from the former.

In the very limited time available to me, I shall address myself principally to the question of suspending the rules to pass the bill as now written. It seems to me that in a matter of this magnitude, we should have full and free discussion upon the floor of the House. Forty min-

utes of debate without opportunity for amendment of the bill is certainly not enough and is not giving to the veterans and the people generally the time which this important legislation should have. From the announced program, it is apparent that we are not so busy in the House but that we could take more time for debate and have opportunities to offer amendments.

Let me point out, briefly, some of the reasons why I think that fuller discussion should be had:

First. This bill represents a new approach to the method of handling payments to veterans of the Korean fighting. All payments hereunder for tuition and fees, books, and supplies, as well as subsistence, would go to the veteran in one lump sum, unless separated as proposed by the Springer amendment. There is much to be said on both sides of that question and the Members of the House ought to have an opportunity to express their views so that we may be as certain as possible that our eventual decision is the best.

Second. The second point concerns the proposed payment schedule. As now set up, it is \$110 for a veteran without dependents and \$150 for veterans with one or more dependents. There is a considerable body of thought to the effect that instead of two categories of payments there should be three, making a distinction between those veterans with one dependent and those with more than one dependent. Certainly, it is entirely obvious that at today's price levels, each additional dependent involves a considerable increase in cost. This may be particularly true where the first dependent of a veteran is a wife and the second a child as would usually be the case. If there is just the veteran and his wife, she might possibly seek employment and supplement the family income, but where a child is added to the family not only does that ordinarily prevent the wife seeking employment, but it increases very considerably the cost of the family living.

Third. There are certain provisions calling for a warranty of new home construction. This warranty would exist for a period of 1 year. As this is a new feature in the legislation and involves relationships between the Veterans' Administration, the veteran, and the builders, it should be carefully studied.

Fourth. As it now stands, the bill provides mustering-out pay "in lieu of any provision for unemployment insurance or readjustment"—unemployment—"allowances." There was a great deal of criticism after World War II of the so-called 52-20 Club, and I think much of that criticism was justified. At the same time, we must certainly recognize the fact that many people, particularly those called back into the service who had to interrupt their civilian activities begun after World War II, have suffered great financial loss. We want to be fair to these people and, to the degree possible, be sure that they are reasonably compensated.

Fifth. Finally, there has been considerable discussion to the effect that by making the payments directly to the veteran, it is fair to him and to all educa-

tional institutions involved. It is further contended that no educational institutions, whether they be private schools or otherwise, should be afforded special treatment. If that be true, I say that the bill contains an inconsistency when it provides on page 68:

Except that, in the case of a tax-supported public educational institution which does not have established charges for tuition and fees which it requires nonveteran residents to pay, such institution may charge and receive from each eligible veteran who is a resident an amount equal to the estimated cost of teaching personnel and supplies for instruction attributable to such veteran, but in no event to exceed the rate of \$31 per month for a full-time course.

It seems to me that by that language, we are saying to this certain group of tax-supported institutions that they may charge a veteran up to \$31 a month for his education, but the nonveteran may have exactly the same education without direct payment. If we contend that this bill is written primarily for the veteran and not to favor any classification of schools, I do not see how we can leave language of that sort in the bill.

This is no small question. It is estimated that the social security—old-age and survivors insurance benefits of the bill will cost about a million and a half dollars per year; the mustering-out payment \$200,000,000 or more per year; and that the educational provisions would begin at about \$315,000,000 and level off at about \$800,000,000 per year. Therefore, it is apparent that we are speaking of expenditures which will exceed \$1,000,000,000 per year in the very near future. Even in these days of terrifically high budgets, that is a figure which must give us pause to be sure that both the veteran and the American taxpayer receive the greatest return for a dollar spent. Of even more importance, however, is the fact that hundreds of thousands—perhaps millions—of the lives of our service people will be touched and influenced by what we do here.

Briefly, I have attempted to point out some of the reasons why I feel that this bill should have full debate. The Veterans' Affairs Committee held extended hearings and did much work on this bill and now the entire membership of the House should have opportunity to consider it in some detail.

As I stated at the outset, I believe that we should have legislation to take care of the Korean veterans and that in writing this legislation we must have their interests first in mind. Other benefits which may flow from such laws, and there are such benefits, but they must of necessity be secondary. There is no reason why we cannot take the time for the House to enact a bill which will be as good as it is humanly possible to make it.

Mr. Speaker, this is not a small bill. It will eventually involve a billion dollars a year, and more importantly affect the lives of hundreds of thousands and even millions of people. We should consider it thoroughly.

Mr. KEARNEY. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, under ordinary circumstance, with a bill of this magnitude, I

would be inclined to vote against the suspension of the rules. But, I was informed during the past week end that unless the bill came before the House in this manner, it would be at least 2 weeks before the bill could be brought to the floor of the House, under a rule, and there was a question even then as to whether the House would be able then to debate and pass this legislation prior to any recess. The committee has worked hard and diligently on this bill for many, many weeks. As one who was on the committee when the original GI bill for World War II was written, I know of the many months we spent in hearing witnesses and holding hearings in executive session, trying to bring out a bill which would be a just bill. In this particular bill, we have tried to skip the pitfalls of the GI bill of World War II, and I think in a great measure we have. I introduced a companion bill to the bill under discussion, but I want the House to know, as far as I am concerned, most of the credit should go to the gentleman from Texas [Mr. TEAGUE]. He has worked many, many months and worked hard to bring to the floor of the House a bill, which would be justified in all respects. I think he has done so.

Mr. Speaker, this morning I received a telegram from a man by the name of E. H. Retski, president of the National Federation of Private Schools Association, in which he definitely and strongly urges the House to vote against the so-called Springer amendment. It seems to me that not only private schools, but all public institutions should realize that this bill is a bill for the veteran, and not for the financial enhancement of any institution, whether they be private or public.

Mr. DEVEREUX. Mr. Speaker, will the gentleman yield?

Mr. KEARNEY. I yield.

Mr. DEVEREUX. I know I am a very new Member of this very great body, but will the gentleman from New York explain to me why it has taken us so long to get this bill before the House, and after a rule has been granted, why it should take us 2 weeks more to bring it out so that the House can work its will upon it?

Mr. KEARNEY. The gentleman from Maryland will have to ask others. I cannot answer that question.

Mr. DEVEREUX. I thank the gentleman.

Mr. KEARNEY. Mr. Speaker, in analyzing H. R. 7656, let me again reiterate what I have already said, that the popular opinion concerning the name of this bill, namely the Korean Conflict Servicemen's Readjustment Act, is not in keeping with the facts.

This bill is for the benefit of all who entered the armed services after June 27, 1950 and includes members of the Armed Forces, wherever stationed. We, in this bill, declare as congressional policy, under title I of the bill, that the veterans' educational and training program created by this act is for the purpose of providing vocational readjustment and restoring lost educational opportunities to individuals who entered

the active service during the emergency period.

Title II—education—in substance, grants 1½ days of education or training for each day of service on or after the date above specified, regardless of where such service was performed, the closing date to be determined by the President or the Congress. Persons eligible under World War II program may take training under both World War II and this, the program under H. R. 7656, not to exceed 48 months. This program of education or training must be initiated within 2 years after the discharge of the individual and completed within 7 years after discharge and the veteran may make one change in program and only one change.

In view of the thorough coverage of this title by other members, I will refrain from enumerating them again.

Title III—housing—authorizes the same housing benefits for veterans under the provisions of this bill as presently enjoyed by World War II veterans.

Title IV continues the \$160 per month wage credit for veterans previously granted World War II veterans for the purpose of old age and survivors insurance benefits.

Title V—mustering out payments—provides that in lieu of unemployment compensation or readjustment benefits, mustering out payments are provided, up to certain amounts and includes those up to and including the rank of captain in the Army and Air Force and lieutenant senior grade in the Navy.

Title VI—unemployment of veterans—provides employment assistance to veterans under this bill on the same basis as veterans of World War II.

Much has been said on the floor today concerning the so-called Springer amendment. It was believed that such an amendment would work a detriment to the whole principle of H. R. 7656 and was also opposed by public schools and associations representing institutions of higher learning as well as the National Federation of Private School Associations, the Veterans of Foreign Wars of the United States, and the AMVETS. The President of the National Federation of Private Schools Associations opposed the Springer amendment on the theory that this bill proposes to establish direct scholarship payment to veterans enrolled in training and education.

It is my humble belief that much red tape will be dispensed with and the cost of administering the provisions of the bill will be materially decreased by the adoption of the bill as written.

I was disturbed to read the statements of my good friend the gentleman from Illinois [Mr. SPRINGER] in the House on May 29, 1952, speaking on his proposed amendment to H. R. 7656. At that time the gentleman spoke of the President of the American Council on Education as being dishonest and not reflecting the sentiment of all the people of his association, who submitted the matters in the bill to a poll. He stated that the gentleman did not represent anywhere near the majority of opinion of the members of the American Council on Education

and that they voted overwhelmingly the other way. As I read the answers to the poll, I must disagree with my good friend, the gentleman from Illinois.

In the first place, the gentleman to whom he referred was not the president of the American Council on Education but was a member of the American Council on Education Committee on Relationships of Higher Education to the Federal Government. This gentleman, by name Carter Davidson, is president of Union College, Schenectady, N. Y. He is one of the foremost educators in the country today and the statement that he presented in person to the committee on March 4, 1952, was one which heartily endorsed the provisions of the so-called Teague bill and was made by him after a thorough study of the provisions of that bill. The statement made by Mr. Davidson on that date was one of the finest and most comprehensive made to the committee during its entire hearings. Not only myself but other members of the committee were deeply grateful for that statement.

It must be remembered that in measures of this magnitude, there is always controversy over various provisions of the bill and disagreement among educators and operators of on-the-job training schools and the heads of private schools. What we have tried to do is to bring into general agreement the thoughts of all, that this bill is written for the veterans and the taxpayers of the country who, after all, are paying the bill. Naturally there are groups who have motives which I will not go into but I realize that they are thinking more of themselves financially than they are of the veteran. We saw that after the Veterans Readjustment Act of 1944 became a law and some of the rackets as exposed by our special committee of the House, headed by the gentleman from Texas [Mr. TEAGUE] were brought to light. It was a crying shame and an everlasting disgrace that such things were allowed to exist.

I understand that in several instances the facts have been laid before the United States attorneys of the several localities where these rackets existed looking toward indictment if found guilty. We have tried to steer clear of the pitfalls of the first GI bill but only time will tell. I was very happy to be a cosponsor of this legislation and, as I said in my opening remarks, while generally opposed to bringing the bill to the floor of the House under a suspension of the rules, I was convinced in my own mind that unless we did so in that manner that it might not be possible to enact this legislation into law prior to any contemplated recess of the Congress this summer.

Mr. RANKIN. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, in the first place, I want to say that being chairman of the Veterans' Committee is not a very pleasant job. I have struggled on that committee to take care of the disabled veterans, trying to do justice to these men that have been sent abroad to fight wars all over the world. They did not kick up

these wars, but they have done the fighting and the suffering, and the dying. It has been my effort to try to take care of them in the best possible way.

I want to say to the distinguished gentleman from Georgia [Mr. Cox] that we took up this question of the rule with the House Parliamentarian, and he advised us that if that rule had been adopted in the form in which it was proposed, as submitted by the Committee on Rules, it would have thrown the bill open for amendments from one end to the other. I hope he will take that proposition up with the House Parliamentarian before he goes too far.

Now, Mr. Speaker, one of the amendments that was criticized on the other side a while ago was offered by the distinguished gentleman from Maryland [Mr. DEVEREUX]. Members of the committee have done the best they could. The mere fact that this bill is coming up under suspension of the rules is no different from bringing it up under a close rule, except that it take a two-third vote to pass it. What we are trying to do is to get this bill passed to take care of these veterans who have gone to this Korean conflict and offered up their lives on foreign soil.

Mr. DEVEREUX. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Maryland.

Mr. DEVEREUX. I am sure the gentleman does not mean to infer that the gentleman from Maryland in any way wants to delay the benefits for any of our veterans.

Mr. RANKIN. No. I will say the gentleman from Maryland does not want to delay the benefits to these veterans. I hope the gentleman did not misunderstand me.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I think it is extremely important to get this bill to the Senate. I have every confidence that the Senate will add certain amendments to it.

I yield 6 minutes to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Mr. Speaker, during the past several days there has been a great deal of heat generated about the Korean GI bill and the Springer amendment. In these few minutes which I am allowed I will try to cast as much light as I can upon this controversial point in this bill.

Those who oppose the Springer amendment have attempted to say that the overwhelming weight of the educational opinion in this country supports H. R. 7656 upon the particular question of payment of tuition. I have said this before but I think it is very important to reemphasize. The American Council on Education in a poll of both private and public schools throughout the country on the principle of the Springer amendment found that 967 favored the principle of the Springer amendment. Of that figure 380 public schools and 577 private schools favored the principle of direct tuition to the university. Let me reemphasize that 380 public schools

voted for this principle. At that time over 93 percent of all of the colleges and universities in this country, both private and public, voted for the principle of the Springer amendment. In order to bring this matter up to date a poll has been taken on this matter within the past 10 days. The Emergency Committee for the Amendment of the Korean GI Bill has received replies from over 425 schools throughout the country thus far. Less than a dozen support the position of the present bill with over 400 supporting the Springer amendment. That gives you a clear picture as to where the colleges and universities in this country stand on the Springer amendment. For your information I have asked the Emergency Committee to compile the universities and colleges by States which support this amendment. I am placing this list on the table for your inspection in order that you may know which in your particular State support the Springer amendment. I might say that the poll is not yet complete. As you know such a poll could not be completed in the 10 days that it has been under consideration. This committee is receiving replies each day.

The large payment here is the question of tuition. You can take your own pencil and paper and follow this explanation of my position on the tuition and figure it just as easily as I can why there is discrimination in the bill as now written. Members of the committee will realize we figured out that the ordinary veteran should receive \$80 per month for subsistence including board, room, books and other expenses of living. We decided on the figure of \$30 per month as the amount that should be allotted to the veteran as his expenses for tuition. If you will multiply \$30 by 12, it is easy to see that would give you \$360 as the amount that is allotted under the present bill for tuition to the single veteran.

If that veteran goes to a tax-supported institution he can go for about \$120 per year. Subtract that \$120 from \$360 and it can easily be seen that he is making a profit of \$240 a year on tuition which he can put in his own pocket. If that same veteran goes to a private school where his tuition will be about \$400 to \$500 per year, that veteran will have used all of his \$360. The veteran will receive in his lump-sum allowance 12 times 80, which is \$960. Add to that \$240—that will give the veteran who goes to the tax-supported institution the sum of \$1,100 per year to live on as against the student who goes to the private university only \$960 per year for living and subsistence. This I am sure is a pure matter of arithmetic which anyone can do with his own pencil and paper. In other words the student who goes to the tax-supported institution is getting a break over the student who goes to the private institution of exactly 25 percent. You can arrive at this figure by taking the sum of \$240 and dividing it by \$960. It will give you exactly 25 per cent that the student who goes to a public institution gets over the student who goes to the private institution. In other words the bill as now written is a

25 percent discrimination against the student who attends a private school. If that is not a discrimination I do not know of anything that is.

In the first place no GI should be allowed to make a profit on tuition allowance by going to a cheaper school.

I think you can see from these figures that the range of selection of an ordinary student is going to be greatly narrowed by just the financial consideration alone of this bill. I come now to the question that I believe is of importance at this time which has nothing to do with the bill itself but which I think is of importance to this House of Representatives. That question is whether or not you are going to suspend the rules and pass this bill with only 40 minutes of debate and without any opportunity to offer amendments to the bill. This committee considered this bill for over a period of approximately 60 days with hours and days devoted to these hearings. A week ago last Friday all of those who were interested in this bill appeared before the Rules Committee and gave their views with reference to this bill. The Rules Committee indicated at that time that it was ready to grant a rule. The rule as I understand it would let this bill open for amendment. It is at that point that those who oppose the Springer amendment sought to bring this bill up under a suspension of the rules today in order to prevent the amendment from being offered. There is a place in the rules for times when the rules should be suspended and bills passed. I presume those are in emergency situations where there is no time near the end of sessions to hear bills completely.

This is not the time to suspend the rules. We have all the rest of this week that is open and this bill could be heard and every opportunity given to those who wish to amend the bill and to debate particular provisions of the bill. I do not know what you would call it. That kind of legislation to me is gag legislation and I call it gag advisedly because the very purpose of this suspension is to gag anyone from offering an amendment to this bill. In my opinion it would be unwise to pass this bill without further debate and an opportunity to amend the bill as the Members of this House wish. I am perfectly willing to trust your judgment as to whether or not my amendment has merit.

Mr. RANKIN. Mr. Speaker, how much time have I remaining?

The SPEAKER. The gentleman has 7 minutes remaining.

Mr. RANKIN. Mr. Speaker, I yield the balance of my time to the gentleman from Texas [Mr. TEAGUE].

(Mr. TEAGUE asked and was given permission to revise and extend his remarks.)

Mr. TEAGUE. Mr. Speaker, in August of 1950, the House Select Committee To Investigate Abuses of the GI Bill was created. The first time I appeared before the Committee on House Administration and asked for money its members insisted that we begin work to correct the abuses that had taken place. At that time we began to contact every

veterans' group and every educational group and told them generally of our plans and requested their advice. Our first thought was that this is not a Federal-aid bill of any kind, form, or fashion; this bill was designed for two groups of people: First, the veteran; and second, the taxpayers who were paying for it.

The next question we had to settle was how much are you going to pay these men? What amount of money will go to them? We adopted a scholarship plan which was not intended to pay the full cost of the education; we planned merely to give the men a certain amount of money and say: Go to school of your choice.

In reference to the question of discrimination against private schools, may I say that this bill does not discriminate against any group of schools. There has always been a price differential between tax-supported and private schools. All we do when we pay the veteran a scholarship allowance is to add to the money the veteran has now and state: You go to school of your choice, private school or public school.

Mr. GOLDEN. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE. Just for one question; that is all.

Mr. GOLDEN. If it is possible, I would like for the committee to assure Members of Congress who are interested in providing schools that these veterans can go to private schools, and whether or not this bill provides for that?

Mr. TEAGUE. In answer to the gentleman's question, we say to the veteran: "Here is a certain amount of money because you were in the service; you may go to the school of your choice. If you want to go to Harvard and pay a large tuition, go ahead. If you want to go to some other school, do the same thing."

We contacted every educational group for over a year. Gradually every one of the groups came to agree with us. They appeared before our committee. There are 900 pages of testimony and every single group that came before the committee testified in behalf of and in favor of this policy of direct payment to the veteran.

The gentleman from Illinois has mentioned a questionnaire over and over again. The American Council of Education has a group of 15 college presidents who act as a committee on relationship of higher education to the Federal Government. We met with that committee. We asked them to help us decide what was the right thing to do. They set up this questionnaire asking a great number of questions. Those questions had nothing to do with the Springer amendment in any way, form, or fashion. The questionnaires came back. I have a copy of the questionnaire which I shall include as a part of my remarks.

Last week the gentleman from Illinois did the American Council of Education, in my opinion, a great disservice when he said that the president of the American Council of Education was dishonest.

Mr. KEARNEY. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE. I yield to the gentleman from New York.

Mr. KEARNEY. I am glad that the gentleman from Texas brought that question up. The gentleman he is referring to now is president of the Union College at Schenectady, New York, Mr. Carter Davidson, who is chairman of the legislative committee of this group. He is also president of my Alma Mater. There is no more honest, upright and forward educator in the country than Mr. Carter Davidson.

Mr. TEAGUE. He is also president of a private college; is he not?

Mr. KEARNEY. Yes.

Mr. TEAGUE. I am sure if the gentleman from Illinois will restudy this whole thing he will retract those statements he made that the president of the American Council of Education was dishonest, because he was not.

This council of 15 men constituted the group that decided on what they would recommend to our committee.

Appearing below is a list of the American Council Committee on Relationships of Higher Education with the Federal Government:

J. L. Morrill, chairman, president, University of Minnesota, Minneapolis, Minn.

Leonard Carmichael, president, Tufts College, Medford, Mass.

Carter Davidson, president, Union College Schenectady, N. Y.

Virgil M. Hancher, president, State University of Iowa, Iowa City, Iowa.

John A. Hannah, president, Michigan State College, East Lansing, Mich.

Henry T. Heald, chancellor, New York University, New York, N. Y.

Althea K. Hottel, dean of women, University of Pennsylvania, Philadelphia, Pa.

Charles S. Johnson, president, Fisk University, Nashville, Tenn.

Deane W. Malott, president, Cornell University, Ithaca, N. Y.

Hugh G. Price, dean, Montgomery Junior College, Takoma Park, Md.

Edward B. Rooney, S. J., executive director, Jesuit Educational Association, 49 East Eighty-fourth Street, New York, N. Y.

Richard H. Shyrock, director, Institute of the History of Medicine, Johns Hopkins University, Baltimore, Md.

Raymond Walters, president, University of Cincinnati, Cincinnati, Ohio.

Roscoe L. West, president, State Teachers College, Trenton, N. J.

Goodrich C. White, president, Emory University, Emory University, Ga.

Mr. Speaker, that is the group that represented the thinking of the American Council and recommended this principle of direct payment to the veterans. These gentlemen of the American Council did a tremendous amount of work on developing this legislation and we are indebted to them for their aid and help.

After the hearings were all over and about the time we were going into executive session to write the bill, a member of a private school came to me and asked if I would introduce this amendment, which is nearly three pages long, an amendment that would completely change the whole concept of the bill before the committee. I took the amend-

ment to the committee and so far as I know the gentleman from Illinois [Mr. SPRINGER] never saw it until I offered it in committee. The amendment was offered and it was defeated. It is the very heart of our bill. Nobody came and testified before our committee. Why do they not offer it over in the Senate and try to get it in over there, if they want it in, instead of waiting until the last minute and trying to get it in here?

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE. I yield to the gentleman from Mississippi.

Mr. RANKIN. There were only six votes in the committee for that amendment. I did not vote. I am chairman of the committee, and there had been so much said about the chairman trying to run it that I withheld my vote, although I had the proxies of two other members.

Mr. TEAGUE. Soon after it became apparent the bill was coming up for a vote, the president of the University of Southern California, Mr. Fred D. Fagg, sent out a letter to every private school in the United States in which it was stated:

However, the provision for a monthly all-inclusive allowance to be paid to the veteran is seriously detrimental to at least one-half of the veterans and also to all private colleges and universities.

Not only will this payment device remove from the veteran freedom of choice of institutions as enjoyed under the current GI bill (Public Law 346, amended), but will also tend, through economic compulsion, to discriminate against the Korean GI veteran who chooses to attend a privately controlled institution of higher learning.

Since that was written, Mr. Case, president of Colgate, and Mr. McGrath both said that that was absolutely not enough.

Mr. SCRIVNER. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE. I yield to the gentleman from Kansas.

Mr. SCRIVNER. Would these direct payments that are now suggested eliminate any amount of red tape?

Mr. TEAGUE. I wish that we had time to present on this floor the amount of red tape that Mr. Lunden, of the University of Minnesota, testified would be cut out. If you want a bill for schools, vote against this thing and let it go back to the committee. I do not think the Springer committee could ever get in. If anybody wants to put in the amendment that the Legislative Reference Service said would completely ruin the bill, put it in there.

Mr. FURCOLO. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE. I yield to the gentleman from Massachusetts.

Mr. FURCOLO. Did the gentleman say most of the educators who appeared before the committee testified in favor of his bill?

Mr. TEAGUE. Yes; all of them.

Gentlemen, in view of the unwarranted attack made on the floor of the House on May 29, 1952 by the Honorable WILLIAM SPRINGER against the integrity and honesty of the officers of the Amer-

ican Council on Education, I feel compelled to apprise the House of certain facts related to the American Council and the so-called Springer amendment.

After 18 months of investigation by the Select Committee To Investigate the GI Bill, the Veterans Affairs Committee held hearings on the subject of benefits for Korean veterans. At that time there were 40 pending bills before the committee including the bill prepared by the select committee which was later reported by the Veterans' Affairs Committee. During the early part of 1951, the select committee requested the American Council on Education to cooperate in obtaining certain information for use in preparing an education program for Korean veterans. On July 2, 1951, the American Council on Education sent out a questionnaire to its membership requesting their opinion on certain matters pertaining to veterans' education. The questionnaire was sent to approximately 950 colleges and universities and included the following questions and response:

Question: If legislation is to be enacted providing educational benefits to honorably discharged veterans who have served on active duty since June 27, 1950, would you prefer that financial payments be (check one):

Public.....	229
Private.....	374
(a) On essentially the same basis as in the educational program provided by the present GI bill; i. e., payment of tuition and fees and the cost of books, supplies, and equipment to the institution and a monthly subsistence allowance to the veteran.....	627
Public.....	87
Private.....	133
(b) For tuition and fees to the institution and a monthly subsistence allowance to the veterans, such allowance to include an allotment of books, supplies, and equipment.....	228
Public.....	34
Private.....	70
(c) For tuition and fees only to the institution.....	112
Public.....	27
Private.....	12
(d) A flat-rate monthly payment directly to the veteran which he apply on the total cost of his education. If so, how much per month?.....	44
Public.....	2
Private.....	3
Uncertain.....	6

It is pointed out that this poll was a sampling of approximately 1,000 schools, of the 13,000 schools which are participating in the veterans' educational program. The answer to the poll has no bearing on the Springer amendment since the Springer proposal differs from any of the methods described in the poll.

On February 6, 1952, several members of my select committee and myself introduced bills incorporating the recommendations of our committee. Shortly thereafter, Mr. RANKIN, chairman of the Veterans' Affairs Committee, announced that hearings would begin on the Korean GI bill. The American Council on Education was asked to testify and their Committee on Relationships of Higher Education with the Federal Government

met to prepare the policy and testimony of the American Council. Dr. Carter Davidson, president of Union College, Schenectady, N. Y., is chairman of the subcommittee on veterans' educational benefits. The committee is composed as follows, and Dr. Davidson spoke in behalf of the committee:

J. L. Morrill, chairman, president, University of Minnesota, Minneapolis, Minn.

Leonard Carmichael, president, Tufts College, Medford, Mass.

Carter Davidson, president, Union College, Schenectady, N. Y.

Virgil M. Hancher, president, State University of Iowa, Iowa City, Iowa.

John A. Hannah, president, Michigan State College, East Lansing, Mich.

Henry T. Heald, chancellor, New York University, New York, N. Y.

Althea K. Hottel, dean of women, University of Pennsylvania, Philadelphia, Pa.

Charles S. Johnson, president, Fisk University, Nashville, Tenn.

Deane W. Malott, president, Cornell University, Ithaca, N. Y.

Hugh G. Price, dean, Montgomery Junior College, Takoma Park, Md.

Edward B. Rooney, S. J., executive director, Jesuit Educational Association, 49 East Eighty-fourth Street, New York, N. Y.

Richard H. Shyrock, director, Institute of the History of Medicine, Johns Hopkins University, Baltimore, Md.

Raymond Walters, president, University of Cincinnati, Cincinnati, Ohio.

Roscoe L. West, president, State Teachers College, Trenton, N. J.

Goodrich C. White, president, Emory University, Emory University, Ga.

I urge the House to note that this committee is a group of the outstanding college presidents and educators of the Nation. It is also important to note that of the 15 members the committee has a majority or 8 members from private colleges. In reviewing the 40 bills pending before the Veterans' Affairs Committee, the American Council committee decided that H. R. 6425—later reported as H. R. 7656—offered the most promise of correcting the many inadequacies and weaknesses of existing legislation. The American Council committee apparently gave consideration to the poll which had been taken 6 months prior to the introduction of H. R. 6425, but realized that it could not reflect the opinion of the membership with regard to H. R. 6425—H. R. 7656.

In testimony before the Veterans' Affairs Committee, Dr. Carter Davidson, spokesman for the American Council, made the following statements in favor of H. R. 6425 and the principle of a lump-sum payment direct to the veteran:

After careful study of all of the bills now under consideration, our committee endorses the general principles and philosophy of H. R. 6425, introduced by Mr. TEAGUE February 5, 1952, and referred to your committee. * * * In commenting on major principles, our committee approves the broad policy of H. R. 6425 by which, if this bill were adopted, all payments would be made directly to the veteran student or trainee. We endorse a policy which would establish a scholarship grant or aid contract between the veteran and the

Federal Government and relieve education institutions of an agency responsibility which in the past has been time consuming and expensive for the Government and institutions alike.

The Veterans' Affairs Committee held hearings for a period of 6 weeks and met 14 days. The committee took 855 pages of testimony and heard every major veterans' service organization, governmental agency, and educational group in the Nation. These groups testified overwhelmingly in favor of H. R. 6425—H. R. 7656—and the principle of direct payment to the veterans. I wish to quote pertinent portions of the testimony from these groups:

AMVETS: "We support granting an educational allowance to participants in this new program, this to be in lieu of the present subsistence and tuition and supplies payments."

Veterans of Foreign Wars: "I think of course there will probably be some other headaches that will pop up on the direct payment to veterans, but I think in the long run you have eliminated the possibility of the big headache in all the contracts with the schools."

General Accounting Office: "Under these bills, H. R. 6425 and H. R. 7656, an amount, designed to cover the cost of tuition, books and supplies, and subsistence would be paid to the veteran leaving the determination as to the school and all financial arrangements as a matter to be handled solely by the veteran. * * * The General Accounting Office views the program proposed by H. R. 6425, H. R. 7656, and related bills as a more realistic approach to granting educational assistance to veterans than the existing program."

United States Office of Education: "The basis of the program is justice to the veteran—restoration of his educational opportunity. Therefore the relationships to be established in the first instance should be between the individual veteran and the Federal Government, without any intermediaries. The veteran should have his entitlement certified directly to him and draw his benefits directly."

Bureau of the Budget: "The size and complexity of the program, together with the lack of normal competitive checks and balances, frequently produced a situation which actually encouraged exploitation of the veteran and of the Government. A new program designed in such a way as to minimize the possibilities of such exploitation would have distinct advantages over the existing program."

American Council on Education (an educational organization composed of 146 national and regional educational associations and 982 institutional members, comprising universities, colleges, teachers' colleges, State departments of education, city school systems, and special educational institutions:) "We endorse a policy which would establish a scholarship grant or aid contract between the veteran and the Federal Government and relieve educational institutions of an agency responsibility which in the past has been time consuming and expensive for the Government and institutions alike."

American Association of Junior Colleges (an educational organization composed of 450 institutional members in 46 States and indirectly representing 150 additional colleges with a combined student enrollment of more than 500,000): "Third, we favor H. R. 6425, H. R. 7656, because it extends these benefits and provides for a better working arrangement between the Veterans' Administration and the colleges and technical schools. Apparently its provisions are aimed at the elimination, as far as possible, of

excessive paper work and clerical work which became a burden to many colleges in recent years under the GI bill of rights. * * * We believe that the methods and amounts of payments are in keeping with the findings of experience with the past GI bill of rights and that such method of payment should be approved."

Joint Committee of Business Officers of the Association of Land Grant Colleges and Universities and the National Association of State Universities: "Rather than involving an institution of higher learning in any way other than a certification of enrollment I would prefer to have an outright scholarship bill with a flat sum, the amount to be determined by dependency status and payable to the veteran with complete freedom of choice given to him as to where he will enroll."

Association of Land Grant Colleges (an association composed of 53 colleges and universities located in all of the States and Territories; their combined enrollment is about one-fifth of the total enrollment in 4-year colleges and universities in this country): "Another important principle of H. R. 6425, H. R. 7656, provides that the Federal Government shall make all payments directly to the veteran and that the veteran shall pay his own bills for tuition, fees, books and supplies. Our association believes this is a sound principle."

National Association of State Approving Agencies (an organization composed of the State approving agencies of the 48 States and Territories): "We believe that it would be desirable and workable from an administrative standpoint, to pay to each participating veteran a prescribed amount each month, from which amount he should pay all expenses incurred including tuition, fees, books, and supplies."

National Education Association of the United States: "We are particularly pleased with section IV of the bill, which provides for payments directly to the veteran rather than to the educational institution. We are convinced that this is one of the most important principles in H. R. 7656."

American Vocational Association, Inc.: "We are particularly anxious to see that section of the bill that proposes to pay all subsistence and tuition funds directly to veterans, retained in the bill."

National Council of Chief State School Officers (an organization of State commissioners and State superintendents of education in the 48 States and Territories): "Payments should be made to the veterans on an individual basis rather than to an educational institution as such and should be the same in the case of any veteran regardless of what institution he may select for attendance."

Private school associations, including the National Association and Council of Business Schools, National Council of Technical Schools, National Home Study Council and National Association of Mortuary Schools with an enrollment of approximately 1,750,000 students: "Our committees have carefully studied all of the bills now under consideration with reference to the GI training programs. They are in agreement with and endorse the general principles and philosophy contained in H. R. 6425. We strongly endorse the principle of direct payment to the veteran."

In discussing the principle of a lump-sum payment paid directly to the veteran, Mr. SPRINGER voiced his approval of the principle as follows:

Mr. SPRINGER. Dr. McGrath, one question. I was a little disturbed and I might have misinterpreted your meaning. That is the advocacy of the payments directly to the veteran himself. Now, we already do pay him his monthly allowance. But the thing that bothers me a little bit in this picture is this.

We had a situation last year when we agreed to give the veterans who had their legs off \$1,600 for a car. We found that in many of those instances it was meritorious. They used it for the purpose of rehabilitation and getting a job as was intended. We found other instances where they sold the automobile almost simultaneously.

Now the question I am trying to get clear in my mind, are you going to pay him the \$600 to enter Harvard or Yale or Illinois or Stanford? You are going to give that to him in a lump-sum instead of paying it to the university.

Dr. McGRATH. Yes, sir; but not until Harvard or Yale certifies to the Veterans' Administration that he is acceptable to them as a student in residence.

Mr. SPRINGER. Is he going to have to advance the \$600 himself?

Dr. McGRATH. No; you can work that out so he will have the money as soon as he is accepted.

Mr. SPRINGER. He will have the money as soon as he is accepted. Suppose he does not do that. That is the thing I am bothered about.

Dr. McGRATH. You mean if he does not get the money?

Mr. SPRINGER. If he does not spend the money.

Dr. McGRATH. As I understand it, in the two bills I am thinking of 5040 and Mr. TEAGUE's bill, there is a provision that the institution has to certify periodically that the student is there. If he is not there, automatically the Veterans' Administration, through the Treasurer of the United States, cuts off his money.

Mr. SPRINGER. If those safeguards are there, I will accept it."

Gentlemen, it is apparent from the testimony of these witnesses that every major educational group in the Nation favored H. R. 6425—H. R. 7656—and the principle of direct payment to the veteran. The educational organizations which I have quoted above represent 13,000 educational institutions, both public and private, including universities, colleges, teachers colleges, junior colleges, public and private vocational schools and business schools, State departments of education and State approving agencies.

No educational group appearing before the Veterans' Affairs Committee opposed H. R. 6425—H. R. 7656—or the principle of direct payment to the veteran. No representatives of private colleges registered opposition before the committee.

After the Veterans' Affairs Committee hearings were over and 1 day before the committee was to report out the bill a representative of a private college came to me with a proposed amendment which would change H. R. 7656 entirely and asked that I support it. Of course, I could not agree with such an amendment but in an effort to be fair to all groups I promised to introduce the amendment. I introduced the amendment and opposed it and it was beaten in the committee. That amendment has now come to be known as the Springer amendment.

The Veterans' Affairs Committee reported H. R. 7656 unanimously; however just before the bill was to come to the floor of the House a group of private colleges that had been unable to influence the leadership and the majority of their own organizations bolted their own organization, formed a temporary organization called the Emergency Com-

mittee To Amend the Korean GI Bill and launched a pressure campaign to force inclusion of the Springer amendment which had been beaten in the committee. This group circulated a letter to all private colleges alleging that H. R. 7656 would discriminate against the private college and urged that each private college write or wire their Congressman. Apparently the private colleges were not furnished with a copy of the bill and the proposed amendment. The circular letter alleged that the Springer amendment was a substantial extension of the method of payment used under the present act, Public Law 346. I am inserting the circular letter which went to all private colleges in order that you may read its entire text:

EMERGENCY COMMITTEE FOR
AMENDMENT OF KOREAN GI BILL,
Los Angeles, May 20, 1952.

DEAR SIR: H. R. 7656, introduced by Congressman TEAGUE and titled "Veterans' Readjustment Assistance Act of 1952" will be brought to the floor of the House of Representatives for vote probably next Tuesday or Wednesday, May 27 or 28.

This bill in general is excellent. However, the provision for a monthly all-inclusive allowance to be paid to the veteran is seriously detrimental to at least one-half of the veterans and also to all private colleges and universities.

Not only will this payment device remove from the veteran freedom of choice of institutions as enjoyed under the current GI bill (Public Law 346, amended), but will also tend, through economic compulsion, to discriminate against the Korean GI veteran who chooses to attend a privately controlled institution of higher learning.

In practical terms, the bill as written could divert as many as one-third of your potential veteran-students to public institutions (assumption from statistics of U. S. Office of Education).

This situation can be corrected if the House of Representatives adopts the Springer amendment which will be offered next Tuesday or Wednesday when the bill is brought to the floor. Essentially, the Springer amendment divides the proposed all-inclusive allowance into two parts: A tuition allowance, and a subsistence allowance. In this sense, it follows the formula of the GI bill but reduces total benefits in accordance with the over-all reduction in H. R. 7656.

Please join us in supporting the Springer amendment by doing the following:

1. Write special delivery—or better yet, telegraph—your Congressman and your two Senators. Because this bill will probably be acted upon by a voice vote, it is imperative that in your communication to your Congressman, you request him to be on the floor and vote next Tuesday and Wednesday.

2. Have the president of your board of trustees and the president of your alumni association do the same, and by Friday, May 23, if it is to be effective.

3. Check and mail the enclosed postcard immediately, so that it may be received in time to be assembled into a list which will be inserted in the CONGRESSIONAL RECORD for Monday, May 26.

Sincerely,

FRED D. FAGG, Jr.

Chairman pro tempore, President,
University of Southern California.

P. S.—If you belong to the ACE, you will note that their questionnaire to you dated May 16, 1952, is seeking information along the lines indicated here, but the return date of May 30, will be too late to be effective.

Emergency committee: Boston University, Denver University, James Millikin Uni-

versity, New York University, Ripon College, Stanford University, Syracuse University, Texas Christian University, Tulane University, University of Southern California, Willamette University.

The alleged discrimination is, of course, entirely untrue. As a result, many schools have been duped into a letter-writing campaign to support the Springer amendment.

Gentleman, I have given you this background in order that you may understand the unfairness of the charges made by the gentleman from Illinois [Mr. SPRINGER] against the officers of the American Council on Education.

On May 29, 1952, the gentleman from Illinois [Mr. SPRINGER] took the floor of the House to argue for his amendment and he was confronted with the fact that his amendment had no support whatsoever from any recognized educational group and that the American Council which represents private colleges as well as many other institutions had endorsed the very principle of the bill which his amendment was seeking to eliminate. In order to imply that his amendment did have support, he apparently found it necessary to attempt to refute the integrity of the officers of the American Council and the Committee on Relationships of Higher Education to the Federal Government.

I quote from the RECORD Mr. SPRINGER'S statements:

Mr. SPRINGER. If you want to talk about being dishonest and of doing a thing that is not true, the president of the American Council on Education testified that they reflected the sentiment of all the people of this association who submitted the matter to a poll. But the gentleman did not represent anywhere near the majority opinion of the members of the American Council on Education, which makes up about 1,100 colleges and universities. They voted overwhelmingly the other way.

Mr. TEAGUE. Of course, my answer to the method of the American Council on Education—

Mr. SPRINGER. The gentleman is asking me why they did not appear.

Mr. TEAGUE. Yes.

Mr. SPRINGER. The president was supposed to represent them and he did not do it.

This statement does a great injustice to Dr. Arthur S. Adams, president of the American Council on Education. Dr. Adams did not testify on the bill and is not a member of the committee on relationships which is responsible for formulating policy on legislation.

The statement is equally unwarranted in its implication that Dr. J. L. Morrill, chairman of the committee, or Dr. Carter Davidson, chairman of the subcommittee on veterans' legislation, have been dishonest in representing their organization.

As difficult as it is to imagine the gentleman from Illinois [Mr. SPRINGER] is refuting the integrity of this outstanding group of college presidents and educators and gives as his reason reference to a poll conducted by the American Council 6 months before the specific legislation under consideration was introduced. Is this duly appointed committee of college presidents, predominantly from private colleges, to be accepted as

spokesmen for the American Council or are they to be discredited and their policy refuted by the gentleman from Illinois [Mr. SPRINGER], based on his interpretation of an old poll?

Gentlemen, I wish to dwell briefly on another aspect of this problem, the merits of the Springer amendment. From his remarks before the House on May 29, 1952, the gentleman from Illinois [Mr. SPRINGER] would have you believe that the answers to a poll currently being conducted by the American Council implies support for his amendment. The current poll asked three questions:

First. Do you favor an extension of Public Law 346?

Second. Do you favor the plan of H. R. 5040?

Third. Do you favor H. R. 7656?

These questions have nothing whatever to do with the Springer amendment, which is an entirely different proposal from the three included in the poll. If there is any doubt whatever on this point in the mind of any Member, it can be readily resolved by contacting the American Council on Education.

The only supporters of the amendment are a small group of private colleges out of the 13,000 schools which would be affected. These few schools see in the Springer proposal a chance to obtain a favored position for themselves. The amendment is designed to reduce the normal price differential between public and private colleges for the purpose of giving the private college an advantage in recruiting veterans that they do not enjoy in recruiting non-veterans.

I wish to emphasize that this self-serving plan is not advocated by a majority of private colleges, but is receiving its support from a small group who found they could not influence majority opinion, and have therefore bolted their organization to work on their own.

I hope every Member will clearly understand that the bill reported by the Veterans' Affairs Committee does not discriminate against any type of school. The bill is primarily a veteran bill. All veterans will receive the same allowance and will be free to attend the school of their choice. Schools will compete for veterans on identically the same basis they compete for nonveterans. It is not the purpose of the bill to use Federal funds to place a special category of schools in an advantageous position in recruiting veterans which they do not enjoy in recruiting nonveterans. The Springer amendment is class legislation for a special group of schools and is not veteran legislation and should not be considered as such.

The SPEAKER. The time of the gentleman from Texas has expired. All time has expired.

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the vote on the motion to suspend the rules and pass the bill (H. R. 7656) go over until Thursday.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, under the agreement made last week,

owing to the fact that there were primaries today in Iowa and tomorrow in California, it was the unanimous understanding that any roll call would be deferred until Thursday. I sincerely hope that the request of the gentleman from Tennessee will be granted and that the vote will go over until Thursday.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR ENDING JUNE 30, 1952

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a conference report on the bill (H. R. 6947) providing supplemental appropriations for the fiscal year ending June 30, 1952.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate insists upon its amendment to the bill (H. R. 7005) entitled "An act to amend the Mutual Security Act of 1951, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CONNALLY, Mr. GEORGE, Mr. GREEN, Mr. WILEY, and Mr. SMITH of New Jersey to be the conferees on the part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. HORAN (at the request of Mr. MACK of Washington), on account of official business.

JEFFERSON DAVIS

(Mr. JENSEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JENSEN. Mr. Speaker, 35 years ago, as a soldier in World War I, I was sent to Camp Pike, Ark., a short distance from Little Rock.

A good share of my fellow soldiers came from homes in the Southern States. War was our trade in those days, and we "talked shop" among ourselves. They had many heroes, these young, alert, land-loving Americans. Yet, out of our talks one hero emerged—a soldier's soldier, a man's man. This arch-hero was Jefferson Davis.

During the years between those Camp Pike days and now I have learned the reasons behind this veneration of Jefferson Davis. I have been more than repaid for the time I have given to studying his life and reading about him. It has

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued June 6, 1952
For actions of June 5, 1952
S2nd-2nd, No. 97

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HIGHLIGHTS: Both Houses agreed to conference report on 3rd supplemental appropriation bill. Senate debated defense production bill. Senate made agricultural appropriation bill its unfinished business. Senate received nomination of Duggan to FCA. Senate committee reported bill to increase school lunch funds for territories and possessions. House adopted conference report on foreign aid bill. House passed cotton parity standard bill. House passed Korean veterans' G. I. bill. Conferees agreed on report for road authorization bill.

SENATE

1. **THIRD SUPPLEMENTAL APPROPRIATION BILL, 1952.** Both Houses agreed to the conference report on this bill, H. R. 6947, and acted on amendments which had been reported in disagreement. The bill was then sent to the President. The House agreed to the Senate amendment providing \$300 pay increases for certain \$14,000 officials. The House also agreed to the provision that the smoke-jumper facilities item be the total cost of the project. The House reduced the item for Civil Service Commission investigations to \$4,000,000, and the Senate concurred in this action. In addition to the items listed in Digest 95, the bill, as finally passed, also contains an item of \$4,000,000 (Senate figure) for the Immigration and Naturalization Service which is largely for the Mexican farm-labor program. During House debate, Rep. Fisher moved that the bill be recommitted to conference with instructions that the House conferees insist on disagreement to the Senate amendment increasing the amount for the farm-labor program, but this motion was rejected, 35-149. (pp. 6709, 6747-56.)
2. **DEFENSE PRODUCTION.** Continued debate on S. 2594, to continue and amend the Defense Production Act (pp. 6702-10, 6712-39). Rejected, 27-54, a Dirksen amendment barring price ceilings after Sept. 1, 1952, on any material or service unless it is in short supply or threatens inflation (pp. 6703-6). Voted, 42-38, in favor of a McFarland motion to postpone debate on this bill until Mon., June 9, after Sen. Byrd had presented an amendment advising the President to use the Taft-Hartley Act in connection with the steel strike.

3. AGRICULTURAL APPROPRIATION BILL, 1953. This bill, H. R. 7314, was made the unfinished business (pp. 6740, 6742). Sen. Douglas gave notice that he will move to suspend the rules and offer an amendment which would make Sec. 32 of the Act of Aug. 24, 1935 (relating to disposal of surplus commodities) merely an authorization rather than a permanent appropriation. In addition, Sens. Williams, Case, and Douglas submitted various amendments which they intend to propose to the bill. (p. 6701.)
4. NOMINATION. Received the nomination of Ivy W. Duggan to be Governor of FCA for 6 years from June 15, 1952 (p. 6744).
5. SCHOOL LUNCH PROGRAM. The Labor and Public Welfare Committee reported with amendments H. R. 1732, to increase the school lunch program allotments for the territories and possessions (S. Rept. 1677)(p. 6698).
6. PERSONNEL. The Rules and Administration Committee reported with amendments S. 3061, to permit and assist Federal personnel and their families to exercise their voting franchise (S. Rept. 1675)(p. 6698).
7. MIGRATORY LABOR. The Labor and Public Welfare Committee voted to report (but did not actually report) a new bill to establish a Federal Commission on Migratory Labor (p. D544).
8. PUBLIC LANDS; TAXATION. Sen. Humphrey inserted a Minneapolis City Council resolution favoring additional Federal payments in lieu of taxes on public lands (p. 6697).
9. FARM CREDIT. Sen. Humphrey inserted a Fergus Falls Production Credit Association resolution favoring legislation to make the cooperative farm credit system more independent of the Federal Government (pp. 6697-8).

HOUSE

10. FOREIGN AID. Adopted the conference report on H. R. 7005, to amend the Mutual Security Act of 1951 (pp. 6774-78).
11. COTTON PARITY. Passed, 156-62, as reported H. R. 5713, providing that Low Middling seven-eighth-inch cotton shall be the standard grade for determining parity and price support for the 1952 cotton crop if this Department makes an official estimate that the 1952 crop will equal or exceed 16 million bales. This bill is designed to protect farmers against a disastrous price decline if they produce 16 million bales or more in 1952. (pp. 6751-4.)
12. VETERANS' BENEFITS. Passed, 361-1, as reported H. R. 7656, authorizing educational and training allowances for Korean veterans. The bill also provides home farm, and business loan credit assistance, old age and survivors' insurance credits, and employment assistance. (pp. 6759-61.)
13. ROAD AUTHORIZATIONS. Conferees on H. R. 7340, authorizing appropriations for road construction in 1954 and 1955, agreed to file (but did not actually file) a conference report. The "Daily Digest" states that the conferees agreed to an annual total of \$550 million for Federal aid to highway systems for each of the fiscal years. (p. D547.)
14. APPROPRIATIONS. Agreed to conferences with the Senate on the following bills:
H. R. 6854, Treasury-Post Office Appropriation bill for 1953, appointing as conferees Reps. Gary, Fernandez, Passman, Sieninski, Cannon, Canfield, Wilson (Ind.), James, and Taber. (p. 6745). Senate conferees were appointed April 29.

H. R. 7656

Read twice and referred to the Committee on Labor and Public Welfare

AN ACT

To provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, and for other purposes.

6 SEC. 101. This Act may be cited as the "Veterans' Read-
7 justment Assistance Act of 1952".

1 STATEMENT OF POLICY

2 SEC. 102. The Congress of the United States hereby
3 declares that the veterans' education and training program
4 created by this Act is for the purpose of providing vocational
5 readjustment and restoring lost educational opportunities to
6 those service men and women whose educational or voca-
7 tional ambitions have been interrupted or impeded by reason
8 of active service in the Armed Forces during a period of
9 national emergency and for the purpose of aiding such per-
10 sons in attaining the educational and training status which
11 they might normally have aspired to and obtained had they
12 not served their country; and that the home, farm, and
13 business-loan benefits, the old-age and survivors insurance
14 credits, the mustering out payments, and the employment
15 assistance provided for by this Act are for the purpose of
16 assisting in the readjustment of such persons from military
17 to civilian life.

18 TITLE II—EDUCATIONAL AND VOCATIONAL
19 ASSISTANCE

20 PART I—DEFINITIONS

21 SEC. 201. For the purposes of this title—

22 (1) the term "basic service period" means the period
23 beginning on June 27, 1950, and ending on such date as
24 shall be determined by Presidential proclamation or concur-
25 rent resolution of the Congress;

1 (2) the term “eligible veteran” means any person
2 who is not in the active service in the Armed Forces and
3 who—

4 (A) has served in the active service in the Armed
5 Forces at any time during the basic service period,

6 (B) has been discharged or released from such
7 active service under conditions other than dishonorable,
8 and

9 (C) has served in the active service in the Armed
10 Forces for ninety days or more (exclusive of any period
11 he was assigned by the Armed Forces to a civilian
12 institution for a course of education or training which
13 was substantially the same as established courses offered
14 to civilians, or as a cadet or midshipman at one of the
15 service academies), or has been discharged or released
16 from active service by reason of an actual service-in-
17 curred injury or disability;

18 (3) the term “program of education or training” means
19 any single unit course or subject, any curriculum, or any
20 combination of unit courses or subjects, which is generally
21 accepted as necessary to fulfill requirements for the attain-
22 ment of a predetermined and identified educational, profes-
23 sional, or vocational objective;

24 (4) the term “course” means an organized unit of sub-
25 ject matter in which instruction is offered within a given

1 period of time or which covers a specific amount of re-
2 lated subject matter for which credit toward graduation or
3 certification is usually given;

4 (5) the term "dependent" means—

5 (A) a child (as defined in paragraph VI of Vet-
6 erans Regulation Numbered 10, as amended) of an
7 eligible veteran,

8 (B) a parent (as defined in paragraph VII of Vet-
9 erans Regulation Numbered 10, as amended) of an
10 eligible veteran, if the parent is in fact dependent upon
11 the veteran, and

12 (C) the wife of an eligible veteran, or, in the case
13 of an eligible veteran who is a woman, her husband if
14 he is in fact dependent upon the veteran;

15 (6) the term "educational institution" means any pub-
16 lic or private elementary school, secondary school, vocational
17 school, correspondence school, business school, junior college,
18 teachers college, college, normal school, professional school,
19 university, scientific or technical institution, or other institu-
20 tion furnishing education for adults;

21 (7) the term "training establishment" means any busi-
22 ness or other establishment providing apprentice or other
23 training on the job, including those under the supervision
24 of a college or university or any State department of edu-
25 cation, or any State apprenticeship agency, or any State

1 board of vocational education, or any apprentice council, or
2 the Bureau of Apprenticeship established in accordance with
3 Public Law 308, Seventy-fifth Congress, or any agency
4 of the Federal Government authorized to supervise such
5 training;

6 (8) the term "Armed Forces" means the Army, the
7 Navy, the Air Force, the Marine Corps, and the Coast Guard
8 of the United States;

9 (9) the term "State" means the several States, the
10 Territories and possessions of the United States, and the
11 District of Columbia;

12 (10) the term "Administrator" means the Adminis-
13 trator of Veterans' Affairs; and

14 (11) the term "Commissioner" means the United States
15 Commissioner of Education.

16 PART II—ELIGIBILITY

17 ENTITLEMENT TO EDUCATION OR TRAINING GENERALLY

18 SEC. 211. Each eligible veteran shall, subject to the
19 provisions of this title, be entitled to the education or train-
20 ing provided under this title.

21 COMMENCEMENT; TIME LIMITATIONS

22 SEC. 212. (a) No eligible veteran shall be entitled to
23 initiate a program of education or training under this title
24 after September 1, 1954, or after two years after his dis-
25 charge or release from active service, whichever is later.

1 (b) The program of education and training of an eligible
2 veteran under this title shall, on and after the delimiting
3 date for the veteran to initiate his program, be pursued con-
4 tinuously until completion except that an eligible veteran
5 may suspend the pursuit of his program for periods of not
6 more than 12 consecutive months, and may suspend the
7 pursuit of such program for longer periods if the Adminis-
8 trator finds that the suspension for each such period was due
9 to conditions beyond the control of the eligible veteran.

10 (c) In the event an eligible veteran returns to active
11 service in the Armed Forces during the basic service period,
12 his date of discharge or release shall, for the purposes of
13 this section and section 213, be the date of his discharge or
14 release from his last period of active service which began
15 during the basic service period.

16 EXPIRATION OF ALL EDUCATION AND TRAINING

17 SEC. 213. No education or training shall be afforded an
18 eligible veteran under this title beyond seven years after
19 either his discharge or release from active service or the end
20 of the basic service period, whichever is earlier.

21 DURATION OF VETERAN'S EDUCATION OR TRAINING

22 SEC. 214. (a) Each eligible veteran shall be entitled
23 to education or training under this title for a period equal
24 to one and a half times the duration of his active service in

1 the Armed Forces during the basic service period (or to
2 the equivalent thereof in part-time training), except that—

3 (1) in computing the duration of his active service
4 in the Armed Forces, there shall be excluded a period
5 equal to any period he was assigned by the Armed
6 Forces to a civilian institution for a course of education
7 or training which was substantially the same as estab-
8 lished courses offered to civilians or as a cadet or mid-
9 shipman at one of the service academies;

10 (2) the period of education or training to which an
11 eligible veteran shall be entitled under this title shall not,
12 except as provided in subsection (b), exceed thirty-six
13 months; and

14 (3) the period of education or training to which an
15 eligible veteran shall be entitled under this title together
16 with education or training received under part VII
17 (Public Law 16, Seventy-eighth Congress, as amended,
18 and Public Law 894, Eighty-first Congress, as
19 amended), or part VIII of Veterans Regulation Num-
20 bered 1 (a), as amended, shall not, except as provided
21 in subsection (b), exceed forty-eight months in the
22 aggregate.

23 (b) Whenever the period of entitlement to education
24 or training under this title of an eligible veteran who is

1 enrolled in an educational institution regularly operated on
2 the quarter or semester system ends during a quarter or
3 semester and after a major part of such semester or quarter
4 has expired, such period shall be extended to the termination
5 of such unexpired quarter or semester. In all other courses
6 offered by educational institutions, whenever the period of
7 eligibility ends after a major portion of the course is com-
8 pleted such period may be extended to the end of the course
9 or for nine weeks, whichever is the lesser period.

10 (c) In the case of any eligible veteran who is pursuing
11 any program of education or training exclusively by cor-
12 respondence, one-fourth of the elapsed time in following such
13 program of education or training shall be charged against
14 the veteran's period of entitlement.

15 PART III—ENROLLMENT

16 SELECTION OF PROGRAM

17 SEC. 221. Subject to the provisions of this title, each
18 eligible veteran may select a program of education or train-
19 ing to assist him in attaining an educational, professional, or
20 vocational objective at any educational institution or training
21 establishment selected by him, whether or not located in the
22 State in which he resides, which will accept and retain him
23 as a student or trainee in any field or branch of knowledge
24 which such institution or establishment finds him qualified

1 to undertake or pursue. In no event, however, may an
2 eligible veteran pursue a program of education or training
3 under this title at an educational institution or training
4 establishment which is not located in a State, except that
5 the Administrator may approve the pursuit of a program of
6 education or training in the Republic of the Philippines at an
7 approved educational institution or training establishment.

8 APPLICATIONS; APPROVAL

9 SEC. 222. Any eligible veteran who desires to initiate
10 a program of education or training under this title shall
11 submit an application to the Administrator which shall be
12 in such form, and contain such information, as the Adminis-
13 trator shall prescribe. The Administrator shall approve such
14 application unless he finds that such veteran is not eligible
15 for or entitled to the education or training applied for or
16 that his program of education or training fails to meet
17 any of the requirements of this title, or that the eligible vet-
18 eran is already qualified, by reason of previous education
19 and training, for the educational, professional, or vocational
20 objective for which the courses of the program of education
21 or training are offered. The Administrator shall notify the
22 eligible veteran of the approval or disapproval of his ap-
23 plication.

CHANGE OF PROGRAM

SEC. 223. (a) Subject to the provisions of section 222, each eligible veteran may, at any time prior to the end of the period during which he is entitled to initiate a program of education or training under this title, make not more than one change of program of education or training.

(b) Each eligible veteran, who has not made a change of program of education or training before the expiration of the period during which he is entitled to initiate a program of education or training under this title, may make not more than one change of program of education or training with the approval of the Administrator. The Administrator shall approve such a change if he finds that—

(1) the eligible veteran is not making satisfactory progress in his present program and that the failure is not due to his own misconduct, his own neglect, or his own lack of application, and if the program to which the eligible veteran desires to change is more in keeping with his aptitude or previous education and training; or

(2) the program to which the eligible veteran desires to change, while not a part of the program currently pursued by him, is a normal progression from such program.

1 AVOCATIONAL AND RECREATIONAL COURSES

2 SEC. 224. (a) The Administrator shall not approve
3 the enrollment of an eligible veteran in any bartending course
4 dancing course, or personality development course.

5 (b) The Administrator shall not approve the enrollment
6 of an eligible veteran—

7 (1) in any photography course, entertainment
8 course, or any flight training course pursued as a hobby
9 or which the Administrator finds to be avocational or
10 recreational in character, or

11 (2) in any music course—instrumental or vocal—
12 public speaking course, or course in sports or athletics
13 such as horseback riding, swimming, fishing, skiing, golf,
14 baseball, tennis, bowling, sports officiating, or other sport
15 or athletic courses, except courses of applied music,
16 physical education, or public speaking which are offered
17 by institutions of higher learning for credit as an integral
18 part of a program leading to an educational objective,
19 or

20 (3) in any other type of course which the Ad-
21 ministrator finds to be avocational or recreational in
22 character;

23 unless the eligible veteran submits justification showing that

1 the course will be of bona fide use in the pursuit of his present
2 or contemplated business or occupation.

3 DISCONTINUANCE FOR UNSATISFACTORY PROGRESS

4 SEC. 225. The Administrator shall discontinue the edu-
5 cation and training allowance of an eligible veteran if, at
6 any time, he finds that, according to the regularly prescribed
7 standards and practices of the educational institution or
8 training establishment, the conduct or progress of such veteran
9 is unsatisfactory.

10 MINIMUM NUMBER OF NONVETERAN STUDENTS REQUIRED

11 SEC. 226. The Administrator shall not approve the
12 enrollment of any eligible veteran, not already enrolled, in
13 any nonaccredited course below the college level offered by
14 a proprietary profit or proprietary nonprofit educational
15 institution for any period during which the Administrator
16 finds that more than three-fourths of the students enrolled
17 in the course are having all or any part of their tuition,
18 fees, or other charges paid to or for them by the educational
19 institution or the Veterans' Administration under part VII
20 or part VIII of Veterans Regulation Numbered 1 (a) or
21 this title.

22 PERIOD OF OPERATION FOR APPROVAL

23 SEC. 227. (a) The Administrator shall not approve the
24 enrollment of an eligible veteran in any course offered by

1 an educational institution when such course has been in
2 operation for less than two years.

3 (b) Subsection (a) shall not apply to—

4 (1) any course to be pursued in a public or other
5 tax-supported educational institution;

6 (2) any course which is offered by an educational
7 institution which has been in operation for more than
8 two years, if such course is similar in character to the
9 instruction previously given by such institution; or

10 (3) any course which has been offered by an in-
11 stitution for a period of more than two years, notwith-
12 standing the institution has moved to another location
13 within the same general locality.

14 INSTITUTIONS LISTED BY ATTORNEY GENERAL

15 SEC. 228. The Administrator shall not approve the
16 enrollment of, or payment of an education and training
17 allowance to, any eligible veteran in any course in an edu-
18 cational institution or training establishment while it is listed
19 by the Attorney General under section 3 of part III of
20 Executive Order 9835, as amended.

21 PART IV—PAYMENTS TO VETERANS

22 EDUCATION AND TRAINING ALLOWANCE

23 SEC. 231. (a) The Administrator shall pay to each
24 eligible veteran who is pursuing a program of education or

1 training under this title, and who applies therefor, an educa-
2 tion and training allowance to meet in part the expenses of
3 his subsistence, tuition, fees, supplies, books, and equipment.

4 (b) The education and training allowance for an eligible
5 veteran shall be paid, as provided in section 232, only for
6 the period of the veteran's enrollment as approved by the
7 Administrator, but no allowance shall be paid—

8 (1) to any veteran enrolled in a course approved
9 under section 253 or a course of institutional on-farm
10 training for any period when the veteran is not pursuing
11 his course in accordance with the regularly established
12 policies and regulations of the institution and the require-
13 ments of this title,

14 (2) to any veteran enrolled in a course approved
15 under section 254 or in a course of apprentice or other
16 training on the job for any day of absence in excess
17 of thirty days in a twelve-month period, not counting
18 as absences weekends or legal holidays established by
19 Federal or State law during which the institution or
20 establishment is not regularly in session or operation,
21 or

22 (3) to any veteran pursuing his program of edu-
23 cation exclusively by correspondence for any period
24 during which no lessons were serviced by the institution.

25 (c) No education and training allowance shall be paid

1 to an eligible veteran for any period until the Administrator
2 shall have received—

3 (1) from the eligible veteran (A) in the case of
4 an eligible veteran enrolled in a course approved under
5 section 253 or a course of institutional on-farm training,
6 a certification that he was actually enrolled in and
7 pursuing the course as approved by the Administrator,
8 or (B) in the case of an eligible veteran enrolled in a
9 course approved under section 254 or a course of ap-
10 prentice or other training on the job, a certification
11 as to actual attendance during such period, or (C) in
12 the case of an eligible veteran enrolled in a program
13 of education or training by correspondence, a certifica-
14 tion as to the number of lessons actually completed by
15 the veteran and serviced by the institution, and

16 (2) from the educational institution or training
17 establishment, a certification, or an endorsement on the
18 veteran's certificate, that such veteran was enrolled
19 in and pursuing a course of education or training during
20 such period, and, in the case of an institution furnishing
21 education or training to a veteran exclusively by corre-
22 spondence, a certification, or an endorsement on the vet-
23 eran's certificate, as to the number of lessons completed
24 by the veteran and serviced by the institution.

25 Education and training allowances shall, insofar as practi-

1 cable, be paid within twenty days after receipt by the
2 Administrator of the certifications required by this sub-
3 section.

4 COMPUTATION OF EDUCATION AND TRAINING ALLOWANCES

5 SEC. 232. (a) The education and training allowance of
6 an eligible veteran who is pursuing a program of education
7 or training in an educational institution and is not entitled
8 to receive an education and training allowance under sub-
9 section (b), (c), (d), (e), or (f) shall be computed as
10 follows:

11 (1) If such program is pursued on a full-time basis,
12 such allowance shall be computed at the rate of \$110 per
13 month, if the veteran has no dependent, or at the rate
14 of \$150 per month, if he has one or more dependents.

15 (2) If such program is pursued on a three-quarters
16 time basis, such allowance shall be computed at the rate
17 of \$80 per month, if the veteran has no dependent, or
18 at the rate of \$110 per month, if he has one or more
19 dependents.

20 (3) If such program is pursued on a half-time basis,
21 such allowance shall be computed at the rate of \$50
22 per month, if the veteran has no dependent, or at the
23 rate of \$70 per month, if he has one or more
24 dependents.

25 (b) The education and training allowance of an eligible

1 veteran who is pursuing a full-time program of education
2 and training which consists of institutional courses and on-
3 the-job training, with the on-the-job training portion of the
4 program being strictly supplemental to the institutional
5 portion, shall be computed at the rate of (1) \$90 per month,
6 if he has no dependent, or (2) \$120 per month, if he has
7 one or more dependents.

8 (c) The education and training allowance of an eligible
9 veteran pursuing apprentice or other training on the job
10 shall be computed at the rate of (1) \$70 per month, if he
11 has no dependent, or (2) \$95 per month, if he has one or
12 more dependents; except that his education and training
13 allowance shall be reduced at the end of each four-month
14 period as his program progresses by an amount which bears
15 the same ratio to the basic education and training allowance
16 as four months bears to the total duration of his apprentice
17 or other training on the job; but in no case shall the Admin-
18 istrator pay an education and training allowance under this
19 subsection in an amount which, when added to the compen-
20 sation to be paid to the veteran, in accordance with his ap-
21 proved training program, for productive labor performed as
22 a part of his course, would exceed the rate of (1) \$225
23 per month, if he has no dependent, or (2) \$300 per month,
24 if he has one or more dependents. For the purpose of com-

1 putting allowances under this subsection, the duration of
2 the training of an eligible veteran shall be the period speci-
3 fied in the approved application as the period during which
4 he may receive an education and training allowance for such
5 training, plus such additional period, if any, as is necessary
6 to make the number of months of such training a multiple
7 of four.

8 (d) The education and training allowance of an eligible
9 veteran pursuing institutional on-farm training shall be com-
10 puted at the rate of (1) \$95 per month, if he has no depend-
11 ent, or (2) \$120 per month, if he has one or more depend-
12 ents; except that his education and training allowance shall
13 be reduced at the end of each four-month period as his pro-
14 gram progresses by an amount which bears the same ratio
15 to \$65 per month, if the veteran has no dependent, or \$90
16 per month, if he has one or more dependents, as four months
17 bears to the total duration of such veteran's institutional
18 on-farm training. For the purpose of computing allow-
19 ances under this subsection, the duration of the training of an
20 eligible veteran shall be the period specified in the approved
21 application as the period during which he may receive an
22 education and training allowance for such training, plus
23 such additional period, if any, as is necessary to make the
24 number of such months of such training a multiple of four.

25 (e) The education and training allowance of an eligible

1 veteran pursuing a program of education or training ex-
2 clusively by correspondence shall be computed on the basis
3 of the established charge which the institution requires
4 nonveterans to pay for the course or courses pursued by the
5 eligible veteran. Such allowance shall be paid quarterly
6 on a pro rata basis for the lessons completed by the veteran
7 and serviced by the institution, as certified by the institution.

8 (f) The education and training allowance of an eligible
9 veteran who is pursuing a program of education or training
10 under this title in an educational institution on a less-than-
11 half-time basis shall be computed at the rate of (1) the
12 established charges for tuition and fees which the institution
13 requires similarly circumstanced nonveterans enrolled in the
14 same course to pay, or (2) \$110 per month for a full-time
15 course, whichever is the lesser.

16 (g) Each eligible veteran who is pursuing an approved
17 course of flight training shall be paid an education and
18 training allowance to be computed at the rate of 75 per
19 centum of the established charge which similarly circum-
20 stanced nonveterans enrolled in the same flight course are
21 required to pay for tuition for the course. If such veteran's
22 program of education or training consists exclusively of flight
23 training, he shall not be paid an education and training allow-
24 ance under one of the preceding subsections of this section;
25 if his program of education or training consists of flight

1 training and other education or training, the allowance pay-
2 able under this subsection shall be in addition to any educa-
3 tion and training allowance payable to him under one of the
4 preceding subsections of this section for education or training
5 other than flight training. Such allowance shall be paid
6 monthly upon receipt of certification from the eligible veteran
7 and the institution as to the actual flight training received by
8 the veteran. In each such case the eligible veteran's period
9 of entitlement shall be charged (in addition to any charge
10 made against his entitlement by reason of education or train-
11 ing other than flight training) with one day for each \$1.25
12 which is paid to the veteran as an education and training
13 allowance for such course.

14 (h) No eligible veteran shall be paid an education and
15 training allowance under this title for any period during
16 which (1) he is enrolled in and pursuing a course of educa-
17 tion or training paid for by the United States under any
18 provision of law other than this title, where the payment of
19 such allowance would constitute a duplication of benefits paid
20 to the veteran from the Federal Treasury, or (2) he is pursu-
21 ing a course of apprentice or other training on the job, a
22 course of institutional on-farm training, or a course of educa-
23 tion and training described in subsection (b), on a less than
24 full-time basis.

FULL-TIME COURSES

SEC. 233. (a) For the purposes of this title, (1) an institutional trade or technical course offered on a clock-hour basis below the college level involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of thirty hours per week of attendance is required with not more than two and one-half hours of rest periods per week allowed, (2) an institutional course offered on a clock-hour basis below the college level in which theoretical or class room instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction is required, and (3) an institutional undergraduate course offered by a college or university on a quarter or semester-hour basis for which credit is granted toward a standard college degree shall be considered a full-time course when a minimum of fourteen semester hours or its equivalent is required.

(b) The Administrator shall define full-time training in the case of all types of courses of education or training other than institutional on-farm training and the types of courses referred to in subsection (a).

OVERCHARGES BY EDUCATIONAL INSTITUTIONS

SEC. 234. The Administrator shall if he finds that an institution has charged or received from any eligible veteran

1 any amount in excess of the established charges for tuition
2 and fees which the institution requires similarly circum-
3 stanced nonveterans enrolled in the same course to pay,
4 disapprove such educational institution for the enrollment of
5 any veteran not already enrolled therein, except that, in the
6 case of a tax-supported public educational institution which
7 does not have established charges for tuition and fees which
8 it requires nonveteran residents to pay, such institution may
9 charge and receive from each eligible veteran who is a resi-
10 dent an amount equal to the estimated cost of teaching
11 personnel and supplies for instruction attributable to such
12 veteran, but in no event to exceed the rate of \$31 per month
13 for a full-time course.

14 PART V—STATE APPROVING AGENCIES

15 DESIGNATION

16 SEC. 241. (a) The chief executive of each State is re-
17 quested to create or designate a State department or agency
18 as the "State approving agency" for his State for the pur-
19 poses of this title.

20 (b) (1) In the event the chief executive of any State
21 fails or declines to create or designate a State approving
22 agency, the provisions of this title which refer to the State
23 approving agency shall, with respect to such State, be
24 deemed to refer to the Commissioner.

25 (2) In the case of courses subject to approval by the

1 Commissioner under section 242, the provisions of this title
2 which refer to a State approving agency shall be deemed to
3 refer to the Commissioner.

4 APPROVAL OF COURSES

5 SEC. 242. (a) An eligible veteran shall receive the
6 benefits of this title while enrolled in a course of education
7 or training offered by an educational institution or training
8 establishment only if such course is approved by the State
9 approving agency for the State where such educational
10 institution or training establishment is situated or by the
11 Commissioner. Approval of courses by State approving
12 agencies shall be in accordance with the provisions of this
13 title and such other regulations and policies as the
14 State approving agency may adopt. Each State ap-
15 proving agency shall furnish the Administrator with a current
16 list of educational institutions and training establishments,
17 specifying courses which it has approved, and, in addition
18 to such list, it shall furnish such other information to the
19 Administrator as it and the Administrator may determine
20 to be necessary to carry out the purposes of this title. Each
21 State approving agency shall notify the Administrator of
22 the disapproval of any course previously approved and shall
23 set forth the reasons for such disapproval.

24 (b) The Commissioner shall be responsible for the ap-
25 proval of courses of education or training offered by any

1 agency of the Federal Government authorized under other
2 laws to supervise such education or training. The Commis-
3 sioner may approve any course in any other educational
4 institution or training establishment in accordance with the
5 provisions of this title.

6 COOPERATION

7 SEC. 243. (a) The Administrator and each State ap-
8 proving agency shall take cognizance of the fact that definite
9 duties, functions, and responsibilities are conferred upon the
10 Administrator and each State approving agency under the
11 veterans' educational programs. To assure that such pro-
12 grams are effectively and efficiently administered, the co-
13 operation of the Administrator and the State approving
14 agencies is essential. It is necessary to establish an ex-
15 change of information pertaining to activities of educational
16 institutions and training establishments, and particular at-
17 tention should be given to the enforcement of approval
18 standards, enforcement of wage and income limitations,
19 enforcement of enrollment restrictions, and fraudulent and
20 other criminal activities on the part of persons connected
21 with educational institutions and training establishments in
22 which veterans are enrolled under this title.

23 (b) The Administrator will furnish the State approving

1 agencies with copies of such Veterans' Administration in-
2 formational material as may aid them in carrying out this
3 title.

4 USE OF OFFICE OF EDUCATION AND OTHER FEDERAL
5 AGENCIES

6 SEC. 244. (a) In carrying out his functions under this
7 title, the Administrator may utilize the facilities and serv-
8 ices of any other Federal department or agency. The
9 Administrator shall utilize the services of the Office of
10 Education in developing cooperative agreements between the
11 Administrator and State and local agencies relating to the
12 approval of courses of education or training as provided for
13 in section 245, in reviewing the plan of operations of State
14 approving agencies under such agreements, and in render-
15 ing technical assistance to such State and local agencies in
16 developing and improving policies, standards, and legislation
17 in connection with their duties under this title.

18 (b) Any such utilization shall be pursuant to proper
19 agreement with the Federal department or agency concerned;
20 and payment to cover the cost thereof shall (except in the
21 case of the Office of Education) be made either in advance
22 or by way of reimbursement, as may be provided in such

1 agreement. Funds necessary to enable the Office of Educa-
2 tion to carry out its functions under this title are authorized
3 to be appropriated directly to such Office.

4 REIMBURSEMENT OF EXPENSES

5 SEC. 245. The Administrator is authorized to enter
6 into contracts or agreements with State and local agencies
7 to pay such State and local agencies for reasonable and
8 necessary expenses of salary and travel incurred by
9 employees of such agencies in (1) rendering necessary
10 services in ascertaining the qualifications of educational
11 institutions and training establishments for furnishing courses
12 of education or training to eligible veterans under this title,
13 and in the supervision of such educational institutions and
14 training establishments, and (2) furnishing, at the request
15 of the Administrator, any other services in connection with
16 this title. Each such contract or agreement shall be condi-
17 tioned upon compliance with the standards and provisions of
18 this title.

19 PART VI—APPROVAL OF COURSES OF EDUCATION AND 20 TRAINING

21 APPRENTICE OR OTHER TRAINING ON THE JOB

22 SEC. 251. (a) Apprentice or other training on the job
23 shall consist of courses offered by training establishments
24 whenever such courses of training are furnished in accord-
25 ance with the provisions of this section. Any training estab-

1 lishment desiring to furnish a course of apprentice or other
2 training on the job shall submit to the appropriate State
3 approving agency a written application setting forth the
4 course of training for each job for which an eligible veteran
5 is to be trained. The written application covering the course
6 of training shall include the following:

7 (1) Title and description of the specific job objec-
8 tive for which the eligible veteran is to be trained;

9 (2) The length of the training period;

10 (3) A schedule listing various operations for major
11 kinds of work or tasks to be learned and showing for
12 each, job operations or work, tasks to be performed,
13 and the approximate length of time to be spent on each
14 operation or task;

15 (4) The wage or salary to be paid at the beginning
16 of the course of training, at each successive step in the
17 course, and at the completion of training;

18 (5) The entrance wage or salary paid by the estab-
19 lishment to employees already trained in the kind of
20 work for which the veteran is to be trained; and

21 (6) The number of hours of supplemental related
22 instruction required.

23 (b) The appropriate State approving agency may ap-
24 prove a course of apprentice or other training on the job
25 specified in an application submitted by a training establish-

1 ment in accordance with subsection (a) if such training
2 establishment is found upon investigation to have met the
3 following criteria:

4 (1) The training content of the course is adequate
5 to qualify the eligible veteran for appointment to the
6 job for which he is to be trained.

7 (2) There is reasonable certainty that the job for
8 which the eligible veteran is to be trained will be avail-
9 able to him at the end of the training period.

10 (3) The job is one in which progression and ap-
11 pointment to the next higher classification are based
12 upon skills learned through organized training on the
13 job and not on such factors as length of service and
14 normal turn-over.

15 (4) The wages to be paid the eligible veteran for
16 each successive period of training are not less than those
17 customarily paid in the training establishment and in the
18 community to a learner in the same job who is not
19 a veteran.

20 (5) The job customarily requires a period of train-
21 ing of not less than three months and not more than two
22 years of full-time training, except that this provision
23 shall not apply to apprentice training.

24 (6) The length of the training period is no longer
25 than that customarily required by the training establish-

ment and other training establishments in the community to provide an eligible veteran with the required skills, arrange for the acquiring of job knowledge, technical information, and other facts which the eligible veteran will need to learn in order to become competent on the job for which he is being trained.

(7) Provision is made for related instruction for the individual eligible veteran who may need it.

(8) There is in the training establishment adequate space, equipment, instructional material, and instructor personnel to provide satisfactory training on the job.

(9) Adequate records are kept to show the progress made by each eligible veteran toward his job objective.

(10) Appropriate credit is given the eligible veteran for previous training and job experience, whether in the military service or elsewhere, his beginning wage adjusted to the level to which such credit advances him and his training period shortened accordingly and provision is made for certification by the training establishment that such credit has been granted and the beginning wage adjusted accordingly. No course of training will be considered bona fide if given to an eligible veteran who is already qualified by training and experience for the job objective.

(11) A signed copy of the training agreement for

1 each eligible veteran, including the training program
2 and wage scale as approved by the State approving
3 agency, is provided to the veteran and to the Adminis-
4 trator and the State approving agency by the employer.

5 (12) Upon completion of the course of training
6 furnished by the training establishment the eligible vet-
7 eran is given a certificate by the employer indicating
8 the length and type of training provided and that the
9 eligible veteran has completed the course of training on
10 the job satisfactorily.

11 (13) That the course meets such other criteria as
12 may be established by the State approving agency.

13 INSTITUTIONAL ON-FARM TRAINING

14 SEC. 252. (a) An eligible veteran shall be entitled to
15 the benefits of this title while enrolled in a course of full-time
16 institutional on-farm training which has been approved by
17 the appropriate State approving agency in accordance with
18 the provisions of this section.

19 (b) The State approving agency may approve a course
20 of institutional on-farm training when it satisfies the follow-
21 ing requirements:

22 (1) The course combines organized group instruc-
23 tion in agricultural and related subjects of at least two
24 hundred hours per year (and of at least eight hours
25 each month) at an educational institution, with super-

1 vised work experience on a farm or other agricultural
2 establishment.

3 (2) The eligible veteran will perform a part of
4 such course on a farm or other agricultural establish-
5 ment under his control.

6 (3) The course is developed with due consideration
7 to the size and character of the farm or other agri-
8 cultural establishment on which the eligible veteran will
9 receive his supervised work experience and to the need
10 of such eligible veteran, in the type of farming for which
11 he is training, for proficiency in planning, producing,
12 marketing, farm mechanics, conservation of resources,
13 food conservation, farm financing, farming manage-
14 ment, and the keeping of farm and home accounts.

15 (4) The eligible veteran will receive not less than
16 one hundred hours of individual instruction per year, not
17 less than fifty hours of which shall be on such farm or
18 other agricultural establishment (with at least two visits
19 by the instructor to such farm each month). Such indi-
20 vidual instruction shall be given by the instructor re-
21 sponsible for the veteran's institutional instruction and
22 shall include instruction and home-study assignments in
23 the preparation of budgets, inventories, and statements
24 showing the production, use on the farm, and sale of
25 crops, livestock, and livestock products.

1 (5) The eligible veteran will be assured of con-
2 trol of such farm or other agricultural establishment
3 (whether by ownership, lease, management agreement,
4 or other tenure arrangement) until the completion of his
5 course.

6 (6) Such farm or other agricultural establishment
7 shall be of a size and character which (A) will, to-
8 gether with the group-instruction part of the course,
9 occupy the full time of the eligible veteran, (B) will
10 permit instruction in all aspects of the management of
11 the farm or other agricultural establishment of the type
12 for which the eligible veteran is being trained, and will
13 provide the eligible veteran an opportunity to apply to
14 the operation of his farm or other agricultural establish-
15 ment the major portion of the farm practices taught in
16 the group instruction part of the course, and (C) will
17 assure him a satisfactory income for a reasonable living
18 under normal conditions at least by the end of his course.

19 (7) Provision shall be made for certification by the
20 institution and the veteran that the training offered does
21 not repeat or duplicate training previously received by
22 the veteran.

23 (8) The institutional on-farm training meets such

other fair and reasonable standards as may be established by the State approving agency.

APPROVAL OF ACCREDITED COURSES

SEC. 253. (a) A State approving agency may approve the courses offered by an educational institution when—

(1) such courses have been accredited and approved by a nationally recognized accrediting agency or association;

(2) credit for such course is approved by the State department of education for credit toward a high school diploma;

(3) such courses are conducted under the Act of February 23, 1917, as amended (39 Stat. 927), or the Vocational Education Act of 1946; or

(4) such courses are accepted by the State department of education for credit for a teacher's certificate or a teacher's degree.

For the purposes of this title the Commissioner shall publish a list of nationally recognized accrediting agencies and associations which he determines to be reliable authority as to the quality of training offered by an educational institution and the State approving agencies may, upon concurrence,

1 utilize the accreditation of such accrediting associations or
2 agencies for approval of the courses specifically accredited
3 and approved by such accrediting association or agency. In
4 making application for approval, the institution shall transmit
5 to the State approving agency copies of its catalog or bulletin.

6 (b) As a condition to approval under this section, the
7 State approving agency must find that adequate records are
8 kept by the educational institution to show the progress of
9 each eligible veteran. The State approving agency must
10 also find that the educational institution maintains a written
11 record of the previous education and training of the veteran
12 and clearly indicates that appropriate credit has been given
13 by the institution for previous education and training, with
14 the training period shortened proportionately and the veteran
15 and the Administrator so notified.

16 APPROVAL OF NONACCREDITED COURSES

17 SEC. 254. (a) No course of education or training
18 (other than a course of institutional on-farm training) which
19 has not been approved by a State approving agency pursuant
20 to section 253, which is offered by a public or private, profit
21 or nonprofit, educational institution shall be approved for the
22 purposes of this title unless the educational institution offering
23 such course submits to the appropriate State approving
24 agency a written application for approval of such course in
25 accordance with the provisions of this title.

1 (b) Such application shall be accompanied by not less
2 than two copies of the current catalog or bulletin which is
3 certified as true and correct in content and policy by an
4 authorized owner or official and includes the following:

5 (1) Identifying data, such as volume number and
6 date of publication;

7 (2) Names of the institution and its governing
8 body, officials and faculty;

9 (3) A calendar of the institution showing legal holi-
10 days, beginning and ending date of each quarter, term,
11 or semester, and other important dates;

12 (4) Institution policy and regulations on enroll-
13 ment with respect to enrollment dates and specific en-
14 trance requirements for each course;

15 (5) Institution policy and regulations relative to
16 leave, absences, class cuts, make-up work, tardiness and
17 interruptions for unsatisfactory attendance;

18 (6) Institution policy and regulations relative to
19 standards or progress required of the student by the
20 institution (this policy will define the grading system
21 of the institution, the minimum grades considered satis-
22 factory, conditions for interruption for unsatisfactory
23 grades or progress and a description of the probationary
24 period, if any, allowed by the institution, and conditions
25 of reentrance for those students dismissed for unsatis-

1 factory progress. A statement will be made regarding
2 progress records kept by the institution and furnished
3 the student) ;

4 (7) Institution policy and regulations relating to
5 student conduct and conditions for dismissal for unsatis-
6 factory conduct;

7 (8) Detailed schedule of fees, charges for tuition,
8 books, supplies, tools, student activities, laboratory fees,
9 service charges, rentals, deposits, and all other charges;

10 (9) Policy and regulations of the institution relative
11 to the refund of the unused portion of tuition, fees, and
12 other charges in the event the student does not enter
13 the course or withdraws or is discontinued therefrom;

14 (10) A description of the available space, facilities,
15 and equipment;

16 (11) A course outline for each course for which ap-
17 proval is requested, showing subjects or units in the
18 course, type of work or skill to be learned, and approx-
19 imate time and clock hours to be spent on each subject
20 or unit; and

21 (12) Policy and regulations of the institution rela-
22 tive to granting credit for previous educational training.

23 (c) The appropriate State approving agency may ap-

1 prove the application of such institution when the institution
2 and its nonaccredited courses are found upon investigation
3 to have met the following criteria:

4 (1) The courses, curriculum, and instruction are
5 consistent in quality, content, and length with similar
6 courses in public schools and other private schools in the
7 State, with recognized accepted standards.

8 (2) There is in the institution adequate space,
9 equipment, instructional material, and instructor per-
10 sonnel to provide training of good quality.

11 (3) Educational and experience qualifications of
12 directors, administrators, and instructors are adequate.

13 (4) The institution maintains a written record of
14 the previous education and training of the veteran and
15 clearly indicates that appropriate credit has been given
16 by the institution for previous education and training,
17 with the training period shortened proportionately and
18 the veteran and the Administrator so notified.

19 (5) A copy of the course outline, schedule of
20 tuition, fees, and other charges, regulations pertaining to
21 absences, grading policy, and rules of operation and
22 conduct will be furnished the veteran upon enrollment.

23 (6) Upon completion of training, the veteran is

1 given a certificate by the institution indicating the ap-
2 proved course and indicating that training was satis-
3 factorily completed.

4 (7) Adequate records as prescribed by the State
5 approving agency are kept to show attendance and
6 progress or grades, and satisfactory standards relating
7 to attendance, progress, and conduct are enforced.

8 (8) The institution complies with all local, city,
9 county, municipal, State, and Federal regulations, such
10 as fire codes, building and sanitation codes. The State
11 approving agency may require such evidence of com-
12 pliance as is deemed necessary.

13 (9) The institution is financially sound and capable
14 of fulfilling its commitments for training.

15 (10) The institution does not utilize advertising of
16 any type which is erroneous or misleading, either by
17 actual statement, omission, or intimation. The institu-
18 tion shall not be deemed to have met this requirement
19 until the State approving agency (1) has ascertained
20 from the Federal Trade Commission whether the Com-
21 mission has issued an order to the institution to cease
22 and desist from any act or practice, and (2) has,
23 if such an order has been issued, given due weight to
24 that fact.

1 (11) The institution does not exceed its enrollment
2 limitations as established by the State approving agency.

3 (12) The institution's administrators, directors,
4 owners, and instructors are of good reputation and
5 character.

6 (13) The institution has and maintains a policy for
7 the refund of the unused portion of tuition, fees, and
8 other charges in the event the student fails to enter the
9 course or withdraws or is discontinued therefrom at any
10 time prior to completion and such policy must pro-
11 vide that the amount charged to the student for
12 tuition, fees, and other charges for a portion of the course
13 shall not exceed the approximate pro rata portion of the
14 total charges for tuition, fees, and other charges that the
15 length of the completed portion of the course bears to
16 its total length.

17 (14) Such additional criteria as may be deemed
18 necessary by the State approving agency.

19 NOTICE OF APPROVAL OF COURSES

20 SEC. 255. The State approving agency, upon determin-
21 ing that an educational institution has complied with all the
22 requirements of this title, will issue a letter to such institution
23 setting forth the courses which have been approved for the
24 purposes of this title, and will furnish an official copy of such

1 letter and any subsequent amendments to the Administrator.
2 The letter of approval shall be accompanied by a copy of the
3 catalog or bulletin of the institution, as approved by the State
4 approving agency, and shall contain the following infor-
5 mation:

6 (1) date of letter and effective date of approval
7 of courses;

8 (2) proper address and name of each educational
9 institution or training establishment;

10 (3) authority for approval and conditions of ap-
11 proval, referring specifically to the approved catalog
12 or bulletin published by the educational institution;

13 (4) name of each course approved;

14 (5) where applicable, enrollment limitations such
15 as maximum numbers authorized and student-teacher
16 ratio;

17 (6) signature of responsible official of State ap-
18 proving agency; and

19 (7) such other fair and reasonable provisions as are
20 considered necessary by the appropriate State approving
21 agency.

22 DISAPPROVAL OF COURSES AND DISCONTINUANCE OF
23 ALLOWANCES

24 SEC. 256. (a) Any course approved for the purposes
25 of this title which fails to meet any of the requirements

1 of this title shall be immediately disapproved by the appro-
2 priate State approving agency. An educational institution
3 or training establishment which has its courses disapproved
4 by a State approving agency will be notified of such dis-
5 approval by a registered letter of notification and a return
6 receipt secured.

7 (b) The Administrator may discontinue the education
8 and training allowance of any eligible veteran if he finds
9 that the course of education or training in which such veteran
10 is enrolled fails to meet any of the requirements of this title
11 or if he finds that the educational institution or training
12 establishment offering such course has violated any provision
13 of this title or fails to meet any of its requirements.

14 (c) Each State approving agency shall notify the Ad-
15 ministrator of each course which it has disapproved under
16 this section. The Administrator shall notify the State ap-
17 proving agency of his disapproval of any educational institu-
18 tion or training establishment under part VII of Veterans
19 Regulation Numbered 1 (a), as amended.

20 PART VII—MISCELLANEOUS PROVISIONS

21 AUTHORITY AND DUTIES OF ADMINISTRATOR

22 SEC. 261. (a) The Administrator is authorized to pre-
23 scribe, promulgate, and publish such rules and regulations
24 as are consistent with the provisions of this title and neces-
25 sary to carry out its purposes. Notwithstanding the pro-

visions of section 11 of the Act of October 17, 1940, as amended (54 Stat. 1193), payments under this title shall be subject to audit and review by the General Accounting Office as provided by the Budget and Accounting Act of 1921, as amended, and the Budget and Accounting Procedures Act of 1950.

(b) The Administrator is authorized to accept uncompensated services and to enter into contracts or agreements with private or public agencies, or persons, for necessary services, incident to the administration of this title, including personal services, as he may deem practicable.

(c) The Administrator may arrange for educational and vocational guidance to persons eligible for education and training under this title and, if the Administrator requires such educational and vocational guidance, he is authorized, in his discretion, to defray, or reimburse the veteran for his traveling expenses to and from the place of advisement. At such intervals as he deems necessary, he shall make available information respecting the need for general education and for trained personnel in the various crafts, trades, and professions: *Provided*, That facilities of other Federal agencies collecting such information shall be utilized to the extent he deems practicable.

ADVISORY COMMITTEE

SEC. 262. The Administrator shall form an advisory committee which shall be composed of persons who are eminent in the field of education and are representative of the various types of institutions and establishments furnishing education and training to veterans enrolled under this title. The Commissioner shall be an ex officio member of the advisory committee. The Administrator shall advise and consult with the committee from time to time with respect to the administration of this title and the committee may make such reports and recommendations as it deems desirable to the Administrator and to the Congress.

CONTROL BY AGENCIES OF UNITED STATES

SEC. 263. No department, agency, or officer of the United States, in carrying out this title, shall exercise any supervision or control, whatsoever, over any State approving agency, State educational agency, or State apprenticeship agency, or any educational institution or training establishment: *Provided*, That nothing in this section shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or control which such department, agency, or officer is authorized, by existing provisions of law, to exercise over any Fed-

1 eral educational institution or training establishment, or to
2 prevent the furnishing of education or training under this
3 title in any institution or establishment over which super-
4 vision or control is exercised by such other department,
5 agency, or officer under authority of existing provisions of
6 law.

7 CONFLICTING INTERESTS

8 SEC. 264 (a) Every officer or employee of the Vet-
9 erans' Administration or of Office of Education, who has,
10 while such an officer or employee, owned any interest in, or
11 received any wages, salary, dividends, profits, gratuities, or
12 services from, any educational institution operated for profit
13 in which an eligible veteran was pursuing a course of educa-
14 tion or training under this title shall be immediately dis-
15 missed from his office or employment.

16 (b) If the Administrator finds that any person who is
17 an officer or employee of a State approving agency has,
18 while he was such an officer or employee, owned any interest
19 in, or received any wages, salary, dividends, profits, gratui-
20 ties, or services from, an educational institution operated for
21 profit in which an eligible veteran was pursuing a course
22 of education or training under this title, he shall discontinue
23 making payments under section 245 to such State approving
24 agency unless such agency shall, without delay, take such
25 steps as may be necessary to terminate the employment of

1 such person and such payments shall not be resumed while
2 such person is an officer or employee of the State approving
3 agency, or State Department of Veterans Affairs or State
4 Department of Education.

5 (c) A State approving agency shall not approve any
6 course offered by an educational institution operated for
7 profit and, if any such course has been approved, shall disap-
8 prove each such course, if it finds that any officer or employee
9 of the Veterans' Administration, the Office of Education,
10 or the State approving agency owns an interest in, or re-
11 ceives any wages, salary, dividends, profits, gratuities, or
12 services from, such institution.

13 REPORTS BY INSTITUTIONS

14 SEC. 265. Educational institutions and training estab-
15 lishments shall, without delay, report to the Administrator
16 in the form prescribed by him, the enrollment, interruption,
17 and termination of the education or training of each eligible
18 veteran enrolled therein under this title.

19 OVERPAYMENTS TO VETERANS

20 SEC. 266. In any case where it is found by the Adminis-
21 trator that an overpayment has been made to a veteran
22 as the result of (1) the willful or negligent failure of the
23 educational institution or training establishment to report,
24 as required by this title and applicable regulations, to the
25 Veterans' Administration excessive absences from a course,

1 or discontinuance or interruption of a course by the veteran
2 or (2) false certification by the educational institution or
3 training establishment, the amount of such overpayment
4 shall constitute a liability of such institution or estab-
5 lishment, and may be recovered in the same manner
6 as any other debt due the United States: *Provided,*
7 That any amount so collected shall be reimbursed if the over-
8 payment is recovered from the veteran. This provision shall
9 not preclude the imposition of any civil or criminal action
10 under this or any other statute.

11 EXAMINATION OF RECORDS

12 SEC. 267. The records and accounts of educational in-
13 stitutions and training establishments pertaining to eligible
14 veterans who received education or training under this title
15 shall be available for examination by duly authorized repre-
16 sentatives of the Government.

17 FALSE OR MISLEADING STATEMENTS

18 SEC. 268. The Administrator shall not make any pay-
19 ments under this title to any person found by him to have
20 willfully submitted any false or misleading claims. In each
21 case where the Administrator finds that an educational insti-
22 tion or training establishment has willfully submitted a false
23 or misleading claim, or where a veteran, with the complicity
24 of an educational institution or training establishment, has
25 submitted such a claim, he shall make a complete report of

1 the facts of the case to the appropriate State approving
2 agency and where deemed advisable to the Attorney General
3 of the United States for appropriate action.

4 CRIMINAL PENALTIES AND FORFEITURES

5 SEC. 269. Whoever knowingly and willfully—

6 (1) makes or presents any false, fictitious, or
7 fraudulent affidavit, declaration, certificate, voucher,
8 endorsement, or paper or writing purporting to be such,
9 concerning any claim for payment under this title, or
10 pertaining to any matter arising under this title,

11 (2) makes or presents any paper required under
12 this title on which paper a date other than the date
13 upon which it was actually signed or acknowledged by
14 the claimant has been willfully inserted,

15 (3) certifies falsely that the declarant, affiant, or
16 witness named in such affidavit, declaration, voucher,
17 endorsement, or other paper or writing personally ap-
18 peared before him and was sworn thereto, or acknowl-
19 edged the execution thereof, or

20 (4) accepts and converts to his own use payments
21 for any period during which he was not actually pur-
22 suing a course of education or training under this title
23 for which period payment was made,

24 shall forfeit all rights, claims, and benefits under this title
25 and under Public Law 2, Seventy-third Congress, as

1 amended, and, upon conviction, shall be fined not more than
2 \$500 or imprisoned not more than six months, or both. Any
3 person not subject to the forfeiture provisions of this section
4 who violates this section shall be fined not more than \$5,000
5 or imprisoned not more than three years, or both.

6 APPLICATION OF OTHER LAWS

7 SEC. 270. The provisions of Public Law Numbered 262,
8 Seventy-fourth Congress, approved August 12, 1935 (49
9 Stat. 607), as amended, and the provisions of titles II and
10 III of Public Law Numbered 844, Seventy-fourth Congress,
11 approved June 29, 1936, as amended, shall be for applica-
12 tion under this title.

13 WAIVER OF RECOVERY OF OVERPAYMENTS

14 SEC. 271. There shall be no recovery of payments of
15 education and training allowance made under this title from
16 any person who, in the judgment of the Administrator, is
17 without fault on his part and where, in the judgment of the
18 Administrator, such recovery would defeat the purpose of
19 benefits otherwise authorized or would be against equity and
20 good conscience. No disbursing officer or certifying officer
21 shall be held liable for any amount paid to any person where
22 the recovery of such amount is waived under this section.

1 INFORMATION FURNISHED BY FEDERAL TRADE

2 COMMISSION

3 SEC. 272. The Federal Trade Commission shall keep all
4 State approving agencies advised of any information coming
5 to its attention which would be of assistance to such agencies
6 in carrying out their duties under this title.

7 EFFECTIVE DATE

8 SEC. 273. This title shall take effect on the date of its
9 enactment, except that no education and training allowance
10 shall be paid for any period prior to September 1, 1952.

11 TITLE III—LOANS

12 PERSONS ELIGIBLE FOR LOANS

13 SEC. 310. Subsection (a) of section 500 of the Service-
14 men's Readjustment Act of 1944, as amended, is amended—

15 (1) by inserting after "war" in the first sentence
16 the following: " , or at any time on or after June 27,
17 1950, and prior to such date as shall be determined by
18 Presidential proclamation or concurrent resolution of
19 the Congress,";

20 (2) by inserting before the period at the end of the
21 first sentence the following: " : *Provided*, That any per-
22 son who is eligible for the benefits of this title by virtue of

1 active service prior to June 27, 1950, or is the owner
2 of property acquired through benefits accruing for prior
3 service, shall not be eligible for additional benefits under
4 this title by reason of active service on or after June 27,
5 1950: *Provided further*, That any guaranty entitle-
6 ment used prior to reentry into service as to which the
7 Administrator has incurred no loss and is no longer sub-
8 ject to contingent liability shall be restored to any veteran
9 separated from the service after June 27, 1950"; and

10 (3) by inserting after "war" in the third sentence
11 the following: ", and any loan to a veteran eligible by
12 virtue of active service on or after June 27, 1950, if
13 made within ten years after such date as shall be deter-
14 mined by Presidential proclamation or concurrent reso-
15 lution of the Congress,".

16 POWER OF ADMINISTRATOR TO EXAMINE LOANS

17 SEC. 302. Section 500 of the Servicemen's Readjust-
18 ment Act of 1944, as amended, is amended by adding at the
19 end thereof the following new subsection:

20 "(f) Notwithstanding the provisions in this title re-
21 specting automatically guaranteed loans, the Administrator
22 may at any time upon thirty days' notice require loans to be
23 made by any lender or class of lenders to be submitted for
24 prior approval, and no guaranty or insurance liability shall

1 exist in respect to such loans unless evidence of guaranty or
2 insurance is issued by the Administrator.”

3 ADDITIONAL REQUIREMENT FOR GUARANTEED LOANS

4 SEC. 303. Section 501 (a) (2) of the Servicemen’s
5 Readjustment Act of 1944, as amended, is amended by in-
6 serting after “expenses” the following: “, and the veteran is
7 a satisfactory credit risk”.

8 STANDARDS OF PLANNING AND CONSTRUCTION; WAR-
9 RANTIES; SUBSTANTIAL DEFICIENCIES IN HOUSING

10 SEC. 304. Section 504 of the Servicemen’s Readjustment
11 Act of 1944, as amended, is amended by striking out sub-
12 section (b) and inserting in lieu thereof the following new
13 subsections:

14 “(b) No loan for the purchase or construction of resi-
15 dential property on which construction is begun subsequent
16 to sixty days from the date the Veterans’ Readjustment
17 Assistance Act of 1952 becomes effective shall be financed
18 through the assistance of the provisions of this title unless
19 the property meets or exceeds minimum requirements for
20 planning, construction, and general acceptability prescribed
21 by the Administrator: *Provided*, That subsection 504 (b)
22 as originally enacted shall continue to be applicable to con-
23 struction begun prior to the end of such sixty-day period:
24 *Provided further*, That this subsection shall not apply to a

1 loan for the purchase of residential property the construction
2 of which was completed more than one year prior to the
3 making of such loan.

4 “(c) The seller of a newly constructed dwelling unit
5 which is sold for initial occupancy to any person who meets
6 the eligibility requirements of section 500 (a) or section
7 1506 of this Act, as amended, with the aid of financing
8 guaranteed or insured by an agency or instrumentality of
9 the Federal Government, and such other person as may be
10 required by such agency or instrumentality to become
11 warrantor, shall be deemed to have expressly warranted to
12 such purchaser that the dwelling is constructed in substantial
13 conformity with the plans and specifications on which such
14 agency or instrumentality based its valuation of the unit or
15 its commitment to guarantee or insure a loan to finance the
16 construction or purchase of such unit. Such warranty shall
17 apply only with respect to failures of performances as to
18 which the purchaser has given written notice to the war-
19 rantor within one year from the date of initial occupancy.

20 “(d) The Administrator shall have the right to refuse
21 to appraise any dwelling or housing project owned, spon-
22 sored, or to be constructed by any person identified with
23 housing previously sold to veterans under this title as to
24 which substantial deficiencies have been discovered, or as to

1 which there has been a failure or indicated inability to dis-
2 charge contractual liabilities to veterans, or as to which it is
3 ascertained that the type of contract of sale or the methods
4 or practices pursued in relation to the marketing of such
5 properties were unfair or unduly prejudicial to veteran
6 purchasers.”

7 ELIGIBILITY FOR LOANS TO REFINANCE EXISTING

8 LIABILITY

9 SEC. 305. Section 507 (1) of the Servicemen’s Read-
10 justment Act of 1944, as amended, is amended by inserting
11 before the semicolon at the end thereof the following: “or,
12 in the case of a veteran eligible by virtue of active service on
13 or after June 27, 1950, not later than ten years after such
14 date as shall be determined by Presidential proclamation or
15 concurrent resolution of the Congress”.

16 EXPIRATION OF AUTHORITY TO MAKE DIRECT LOANS

17 SEC. 306. Section 512 (b) of the Servicemen’s Read-
18 justment Act of 1944, as amended, is amended by striking
19 out “(D)” and inserting in lieu thereof “(C)” and by
20 inserting before the period at the end thereof the following:
21 “, except that if a commitment to make such a loan was
22 issued by the Administrator prior to that date the loan may
23 be completed subsequent to such date”.

1 REFUSAL TO GUARANTEE OR INSURE LOANS IN CERTAIN
2 CASES

3 SEC. 307. Title III of the Servicemen's Readjustment
4 Act of 1944, as amended, is amended by adding at the end
5 thereof the following new section:

6 "SEC. 514. Whenever the Administrator finds with re-
7 spect to loans guaranteed or insured under this title that any
8 lender or holder has failed to maintain adequate loan ac-
9 counting records, or to demonstrate proper ability to service
10 loans adequately or to exercise proper credit judgment or has
11 willfully or negligently engaged in practices otherwise detri-
12 mental to the interest of veterans or of the Government, he
13 may refuse either temporarily or permanently to guarantee
14 or insure any loans made by such lender or holder or bar
15 such lender or holder from acquiring loans guaranteed or
16 insured under this title: *Provided*, That the Administrator
17 shall not refuse to pay a guarantee on loans theretofore
18 entered into in good faith between the veteran and the lending
19 institution."

20 TITLE IV—OLD-AGE AND SURVIVORS
21 INSURANCE

22 WAGE CREDITS FOR VETERANS OF KOREAN CONFLICT

23 SEC. 401. (a) Section 217 of the Social Security Act
24 is amended by adding at the end thereof the following new
25 subsection:

1 “(e) (1) For purposes of determining entitlement to
2 and the amount of any monthly benefit or lump-sum death
3 payment payable under this title on the basis of the
4 wages and self-employment income of any veteran of active
5 military or naval service on or after June 27, 1950, such
6 veteran shall be deemed to have been paid wages (in addi-
7 tion to the wages, if any, actually paid to him) of \$160 in
8 each month during any part of which he served in the active
9 military or naval service of the United States on or after
10 June 27, 1950, and prior to such date as shall be determined
11 by Presidential proclamation or concurrent resolution of the
12 Congress. This subsection shall not be applicable in the case
13 of any monthly benefit or lump-sum death payment if—

14 “(A) a larger such benefit or payment, as the case
15 may be, would be payable without its application; or

16 “(B) a benefit (other than a benefit payable in a
17 lump sum unless it is a commutation of, or a substitute
18 for, periodic payments) which is based, in whole or in
19 part, upon the active military or naval service of such
20 veteran on or after June 27, 1950, and prior to such
21 date as shall be determined by Presidential proclamation
22 or concurrent resolution of the Congress, is determined
23 by any agency or wholly owned instrumentality of the
24 United States (other than the Veterans’ Administration)
25 to be payable by it under any other law of the United

1 States or under a system established by such agency or
2 instrumentality.

3 The provisions of clause (B) shall not be applicable in the
4 case of any monthly benefit or lump-sum death payment
5 under this title if its application would reduce the primary
6 insurance amount (as computed under section 215 prior to
7 any recomputation thereof pursuant to subsection (f) of such
8 section) of the individual on whose wages and self-employ-
9 ment income such benefit or payment is based by \$0.50
10 or less.

11 “(2) Upon application for benefits or a lump-sum death
12 payment on the basis of the wages and self-employment in-
13 come of any veteran of active military or naval service on
14 or after June 27, 1950, the Federal Security Administrator
15 shall make a decision without regard to clause (B) of para-
16 graph (1) of this subsection unless he has been notified by
17 some other agency or instrumentality of the United States
18 that, on the basis of the military or naval service of such
19 veteran on or after June 27, 1950, and prior to such date
20 as shall be determined by Presidential proclamation or con-
21 current resolution of the Congress, a benefit described in
22 clause (B) of paragraph (1) has been determined by such
23 agency or instrumentality to be payable by it. If he has not
24 been so notified, the Federal Security Administrator shall
25 then ascertain whether some other agency or wholly owned

1 instrumentality of the United States has decided that a bene-
2 fit described in clause (B) of paragraph (1) is payable by
3 it. If any such agency or instrumentality has decided, or
4 thereafter decides, that such a benefit is payable by it, it
5 shall so notify the Federal Security Administrator, and the
6 Administrator shall certify no further benefits for payment
7 or shall recompute the amount of any further benefits pay-
8 able, as may be required by paragraph (1) of this
9 subsection.

10 “(3) Any agency or wholly owned instrumentality of
11 the United States which is authorized by any law of the
12 United States to pay benefits, or has a system of benefits
13 which are based, in whole or in part, on military or naval
14 service on or after June 27, 1950, and prior to such date
15 as shall be determined by Presidential proclamation or con-
16 current resolution of the Congress, shall, at the request of the
17 Federal Security Administrator, certify to him, with respect
18 to any veteran of active military or naval service on or after
19 June 27, 1950, such information as the Administrator deems
20 necessary to carry out his functions under paragraph (2)
21 of this subsection.

22 “(4) There are hereby authorized to be appropriated
23 to the Trust Fund from time to time, as benefits which in-
24 clude service to which this subsection is applicable become
25 payable under this title, such sums as the Administrator es-

1 estimates to be necessary to meet the additional costs, result-
2 ing from this subsection, of such benefits (including lump-
3 sum death payments). Such estimates shall be arrived at
4 through the use of appropriate accounting, statistical, sam-
5 pling, or other methods.

6 “(5) For the purposes of this subsection, the term ‘vet-
7 eran’ means any individual who served in the active military
8 or naval service of the United States at any time on or after
9 June 27, 1950, and prior to such date as shall be determined
10 by Presidential proclamation or concurrent resolution of the
11 Congress, and who, if discharged or released therefrom, was
12 so discharged or released under conditions other than dis-
13 honorable after active service of ninety days or more or by
14 reason of a disability or injury incurred or aggravated in
15 service in line of duty; but such term shall not include any
16 individual who died while in the active military or naval serv-
17 ice of the United States if his death was inflicted (other than
18 by an enemy of the United States) as lawful punishment for
19 a military or naval offense.”

20 (b) Section 205 (o) of such Act is amended by striking
21 out “section 217 (a)” and inserting in lieu thereof “subsec-
22 tion (a) or (e) of section 217”.

23 (c) (1) The amendments made by subsections (a) and
24 (b) shall be applicable only with respect to monthly bene-
25 fits under section 202 of the Social Security Act for months

1 after, and with respect to lump-sum death payments in the
2 case of deaths occurring after, the month following the month
3 in which this Act is enacted, except that, in the case of any
4 individual who is entitled, on the basis of the wages and self-
5 employment income of any individual to whom section
6 217 (e) of the Social Security Act applies, to monthly
7 benefits under such section 202 for the month following
8 the month in which this Act is enacted, such amendments
9 shall be applicable (A) only if an application for recompu-
10 tation by reason of the amendments is filed by such individual,
11 or any other individual, entitled to benefits under such
12 section 202 on the basis of such wages and self-employment
13 income, and (B) only with respect to such benefits for
14 months after whichever of the following is the later: the first
15 month following the month in which this Act is enacted or
16 the seventh month before the month in which such applica-
17 tion was filed. Recomputations of benefits as required
18 to carry out the provisions of this paragraph shall be made
19 notwithstanding the provisions of section 215 (f) (1) of
20 the Social Security Act; but no such recomputation shall be
21 regarded as a recomputation for purposes of section 215
22 (f) of the Social Security Act.

23 (2) In the case of any veteran (as defined in section
24 217 (e) (5) of the Social Security Act) who died prior
25 to the enactment of this Act, the time within which proof

1 of support may be filed under subsection (f) or (h) of
2 section 202 of the Social Security Act shall be two years
3 after the date of enactment of this Act.

4 LUMP-SUM DEATH PAYMENTS FOR REINTERMENT OF
5 DECEASED VETERANS

6 SEC. 402. (a) Section 101 (d) of the Social Security
7 Act Amendments of 1950 is amended by changing the period
8 at the end thereof to a comma and adding: "and except that
9 in the case of any individual who died outside the forty-eight
10 States and the District of Columbia on or after June 27,
11 1950, and prior to September 1950, whose death oc-
12 curred while he was in the active military or naval service
13 of the United States, and who is returned to any of such
14 States, the District of Columbia, Alaska, Hawaii, Puerto
15 Rico, or the Virgin Islands for interment or reinterment,
16 the last sentence of section 202 (g) of the Social Security
17 Act as in effect prior to the enactment of this Act shall
18 not prevent payment to any person under the second sen-
19 tence thereof if application for a lump-sum death payment
20 under such section with respect to such deceased individual
21 is filed by or on behalf of such person (whether or not
22 legally competent) prior to the expiration of two years
23 after the date of such interment or reinterment."

24 (b) In the case of any individual who died outside the
25 forty-eight States and the District of Columbia after August

1 1950 and prior to such date as shall be determined by Presi-
2 dential proclamation or concurrent resolution of the Congress,
3 whose death occurred while he was in the active military or
4 naval service of the United States, and who is returned to any
5 of such States, the District of Columbia, Alaska, Hawaii,
6 Puerto Rico, or the Virgin Islands for interment or reinter-
7 ment, the last sentence of section 202 (i) of the Social
8 Security Act shall not prevent payment to any person under
9 the second sentence thereof if application for a lump-sum
10 death payment with respect to such deceased individual is
11 filed under such section by or on behalf of such person
12 (whether or not legally competent) prior to the expiration of
13 two years after the date of such interment or reinterment.

14 TITLE V—MUSTERING-OUT PAYMENTS

15 ELIGIBILITY FOR PAYMENTS

16 SEC. 501. Mustering-out pay as provided in this title is
17 designed to be in lieu of any provision for unemployment
18 insurance or readjustment (unemployment) allowances ex-
19 cept that it is not the purpose to impair any rights to unem-
20 ployment insurance which may be afforded under existing
21 laws.

22 SEC. 502. (a) Except as provided in subsection (b)
23 of this section, each member of the Armed Forces who shall
24 have been engaged in active service on or after June 27,
25 1950, and prior to such date as shall be determined by

1 Presidential proclamation or concurrent resolution of the
2 Congress, and who is discharged or relieved from active
3 service under honorable conditions, shall be eligible to receive
4 mustering-out payment.

5 (b) No mustering-out payment shall be made to—

6 (1) any member of the Armed Forces who, at the
7 time of discharge or relief from active service, is in a
8 pay grade higher than O-3;

9 (2) any member of the Armed Forces who is
10 retired or separated therefrom under provisions of law
11 other than title IV of the Career Compensation Act of
12 1949;

13 (3) any member of the Armed Forces for any
14 active service performed prior to the date of his dis-
15 charge or relief from active service on his own initiative
16 to accept employment or, in the case of any member so
17 relieved from active service, for any active service per-
18 formed prior to the date of his discharge while in such
19 inactive status, unless he has served outside the con-
20 tinental limits of the United States or in Alaska;

21 (4) any member of the Armed Forces whose total
22 period of service has been as a student assigned by the
23 Armed Forces to a civilian institution for a course of

1 education or training which was substantially the same
2 as established courses offered to civilians;

3 (5) any member of the Armed Forces for any ac--
4 tive service performed prior to the date of his discharge
5 from such forces for the purpose of entering the United
6 States Military Academy, the United States Naval
7 Academy, or the United States Coast Guard Academy;

8 (6) any member of the Armed Forces whose sole
9 service has been as a cadet at the United States Mili-
10 tary Academy or the United States Coast Guard
11 Academy, or as a midshipman at the United States
12 Naval Academy, or in a preparatory school after nomi-
13 nation as a principal, alternate, or candidate for admis-
14 sion to any of said Academies; and

15 (7) any commissioned officers unless he is dis-
16 charged or relieved from active service within three years
17 after such date as shall be determined by Presidential
18 proclamation or concurrent resolution of the Congress.

19 DETERMINATION OF PAYMENTS

20 SEC. 503. (a) Mustering-out payment for persons
21 eligible under section 502 shall be in sums as follows:

22 (1) \$300 for persons who, having performed active
23 service for sixty days or more, have served outside the con-
24 tinental limits of the United States or in Alaska.

1 (2) \$200 for persons who, having performed active
2 service for sixty days or more, have served no part thereof
3 outside the continental limits of the United States or in
4 Alaska.

5 (3) \$100 for persons who have performed active serv-
6 ice for less than sixty days.

7 (b) Each person eligible to receive mustering-out pay-
8 ment under subsection (a) (1) shall receive one-third of
9 the stipulated amount at the time of final discharge or
10 ultimate relief from active service, or at the option of the
11 person so eligible, at the time of discharge or release for the
12 purpose of enlistment, reenlistment, or appointment in a
13 regular component of the Armed Forces; and the remaining
14 amount of such payment shall be paid in two equal install-
15 ments—one month and two months, respectively, from the
16 date of the original payment. Each person eligible to receive
17 mustering-out payment under subsection (a) (2) shall
18 receive one-half of the stipulated amount at the time of
19 final discharge or ultimate relief from active service or, at
20 the option of the person so eligible, at the time of discharge
21 or release for the purpose of enlistment, reenlistment, or
22 appointment in a regular component of the Armed Forces;
23 and the remaining amount of such payment shall be paid one
24 month from the date of the original payment. Each person
25 eligible to receive mustering-out payment under subsection

1 (a) (3) shall receive the stipulated amount at the time of
2 such discharge or relief from active service or, at the option
3 of the person so eligible, at the time of discharge or release
4 for the purpose of enlistment, reenlistment, or appointment
5 in a regular component of the Armed Forces. A person en-
6 titled to receive the first installment of the mustering-out
7 payment at the time of discharge or release for the purpose
8 of enlistment, reenlistment, or appointment in a regular com-
9 ponent of the Armed Forces shall, at his election, receive
10 the whole of such payment in one lump sum, rather than in
11 installments.

12 TIME LIMITATIONS

13 SEC. 504. Any member of the Armed Forces entitled
14 to mustering-out payment who shall have been discharged or
15 relieved from active service under honorable conditions before
16 the effective date of this title shall, if application therefor is
17 made within two years after the date of enactment of this
18 title, be paid such mustering-out payment by the Department
19 of the Army, Navy, or Air Force, or the Treasury Depart-
20 ment, as the case may be, beginning within one month after
21 application has been received and approved by such depart-
22 ment. No member of the Armed Forces shall receive mus-
23 tering-out payment under this title more than once, and such
24 payment shall accrue and the amount thereof shall be com-
25 puted as of the time of discharge for the purpose of effecting

1 a permanent separation from the service or of ultimate relief
2 from active service or, at the option of such member, for
3 the purpose of enlistment, reenlistment, or appointment in
4 a regular component of the Armed Forces.

5 DECEASED MEMBERS

6 SEC. 505. If any member of the Armed Forces, after
7 his discharge or relief from active service, shall die before
8 receiving any portion of or the full amount of his muster-
9 ing-out payment, the balance of the amount due him shall
10 be payable, on appropriate application therefor, to his sur-
11 viving spouse, if any; and if he shall leave no surviving
12 spouse, then in equal shares to his child or children, if any;
13 and if he shall leave no surviving spouse or child or chil-
14 dren, then in equal shares to his surviving parents, if any.
15 No payments under this title shall be made to any other
16 person.

17 ADMINISTRATION OF TITLE

18 SEC. 506. (a) Mustering-out payments due or to be-
19 come due under this title shall not be assignable and any
20 payments made to or on account of a veteran hereunder
21 shall be exempt from taxation, shall be exempt from the
22 claims of creditors, including any claim of the United States,
23 and shall not be subject to attachment, levy, or seizure by or
24 under any legal or equitable process whatever either before
25 or after receipt by the payee.

1 (b) The Secretaries of the Army, Navy, Air Force, and
2 Treasury shall make such regulations not inconsistent with
3 this title as may be necessary effectively to carry out the
4 provisions thereof, and their decisions shall be final and not
5 subject to review by any court or other Government official.

6 (c) The Secretaries of the Army, Navy, Air Force, and
7 Treasury, or such subordinate officers as they may designate,
8 are authorized to make direct payment to survivors over
9 seventeen years of age, and to select a proper person or
10 persons to whom mustering-out payments may be made for
11 the use and benefit of former active members of the Armed
12 Forces, or survivors thereof, as defined by section 505 hereof,
13 without the necessity of appointment by judicial proceedings
14 of a legal representative of any such former member or such
15 survivors when, in the opinion of the respective Secretaries
16 or their designees, the interests of persons under seventeen
17 years of age so justify, or where the former active member
18 or his survivors is suffering from a mental disability suf-
19 ficient to make direct payment not in the best interests of
20 such person or persons. Payments made under the provi-
21 sions of this subsection shall constitute a complete discharge
22 of the obligation of the United States as provided in this
23 title; and the selection of a proper person or persons, as
24 provided herein, and the correctness of the amount due and
25 paid to such person or persons shall have the same finalty

1 as that accorded decisions made pursuant to subsection (b).
2 The provisions of this subsection shall not apply where a
3 legal guardian or committee has been judicially appointed,
4 except as to any payments made hereunder prior to the
5 receipt of notice of appointment.

6 DEFINITIONS

7 SEC. 507. As used in this title—

8 (a) The term “spouse” means a lawful wife or husband.

9 (b) The term “child” includes (1) a legitimate child;
10 (2) a child legally adopted; and (3) a stepchild, if, at the
11 time of death of the member of the Armed Forces, such
12 stepchild was a member of the deceased’s household.

13 (c) The term “parent” includes father and mother,
14 stepfather and stepmother, and father and mother through
15 adoption.

16 (d) The term “Armed Forces” means the Army, the
17 Navy, the Air Force, the Marine Corps, and the Coast Guard
18 of the United States.

19 TITLE VI—MISCELLANEOUS

20 JOB COUNSELING AND EMPLOYMENT PLACEMENT

21 SEC. 601. Section 607 of title IV, Servicemen’s Re-
22 adjustment Act of 1944, as amended (38 U. S. C. 695f), is
23 hereby amended to read as follows:

24 “SEC. 607. The term ‘veteran’ as used in this title shall
25 mean a person who served in the active service of the Armed

1 Forces during a period of war in which the United States
2 has been, or is, engaged, or during the period on or after
3 June 27, 1950, and prior to such date as may be thereafter
4 determined by Presidential proclamation or concurrent reso-
5 lution of the Congress, and who has been discharged or re-
6 leased therefrom under conditions other than dishonorable.”

7 AUTHORIZATION OF APPROPRIATIONS

8 SEC. 602. There are hereby authorized to be appro-
9 priated such sums as may be necessary to carry out this
10 Act.

Passed the House of Representatives June 5, 1952.

Attest: RALPH R. ROBERTS,
Clerk.

AN ACT

To provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, and for other purposes.

JUNE 6 (legislative day, JUNE 5), 1952
Read twice and referred to the Committee on Labor
and Public Welfare

sachusetts Avenue NW., Washington, D. C.
Francis H. Horn, executive secretary, Department of Higher Education, National Education Association, 1201 Sixteenth Street NW., Washington, D. C.

James McCaskill, director, Division of Legislative & Federal Relations, National Education Association, 1201 Sixteenth Street NW., Washington, D. C.

Howard A. Meyerhoff, administrative secretary, American Association for Advancement of Science, 1515 Massachusetts Avenue NW., Washington, D. C.

M. D. Mobley, executive secretary, American Vocational Association, 1010 Vermont Avenue NW., Washington, D. C.

Guy E. Snively, executive director, Association of American Colleges, 726 Jackson Place NW., Washington, D. C.

Russell I. Thackrey, executive secretary, Association of Land-Grant Colleges and Universities, 1785 Massachusetts Avenue NW., Washington, D. C.

M. H. Trytten, director, Office of Scientific Personnel, National Research Council, 2101 Constitution Avenue NW., Washington, D. C.

J. Fletcher Wellemeyer, consultant, American Council of Learned Societies, 1219 Sixteenth Street NW., Washington, D. C.

Edward H. Litchfield, executive director, American Political Science Association, 1785 Massachusetts Avenue NW., Washington, D. C.

Capt. J. J. O'Donnell, United States Navy, Chief, Education Branch, Armed Forces, I and E Division, Office of the Secretary of Defense, Building T-7, Gravelly Point, Washington, D. C.

Ernest V. Hollis, Division of Higher Education, United States Office of Education, Federal Security Building, Washington, D. C.

Commander W. D. Thompson, United States Navy, Office of Public Information, National Organizations Branch, Office of the Secretary of Defense, Washington, D. C.

QUESTIONNAIRE ON PROPOSED LEGISLATION FOR EDUCATIONAL BENEFITS TO VETERANS

Your judgment is sought as to which of the three alternatives listed below most nearly expresses the action you believe to be sound national policy in providing educational benefits to veterans discharged since June 27, 1950.

Please put a check mark in the box of only the one statement which best reflects your judgment.

(a) Benefits on essentially the same basis as the educational program provided by the present GI bill (Public Law 346); i. e., payment of tuition, fees, cost of books, supplies and equipment to the institution and a monthly subsistence allowance to the veteran? (See par. 1 and arguments re H. R. 6377.) 313.

(b) Payment to the institution of one-half the customary tuition up to a maximum total tuition limit of \$600 and a monthly subsistence allowance to the veteran, such allowance to include an allotment for books, supplies, and equipment? (See par. 2 and arguments re S. 1940; H. R. 5038, H. R. 5040.) 48.

(c) A flat-rate monthly scholarship paid directly to the veteran which he can apply on the total cost of his education? (Teague and Rankin bills, see par. 3 and arguments re H. R. 7656 and H. R. 1642.) 232.

Here is a statement from the National Association of State Approval Agencies supporting this measure and opposing the Springer amendment. It reads as follows:

NATIONAL ASSOCIATION OF
STATE APPROVAL AGENCIES,
Jefferson City, Mo., June 3, 1952.

To: Members of the House of Representatives of the United States, Eighty-second Congress.

From: P. Larry McKeever, president.

Subject: H. R. 7656, coming before House of Representatives for vote Thursday, June 5, 1952.

For the benefit of the veteran and in the interest of taxpayers, we sincerely urge your favorable consideration when this bill comes to the floor for vote. Your assistance will enhance legislation for Korean veterans without further delay.

We express unanimous approval of the principle of direct payment to the veteran. We solicit your support to defeat the Springer amendment as we feel it is a selfish attempt by a small group of private schools to receive a larger take in Federal tuition payments and defeat the principle of H. R. 7656 in eliminating certain abuses discovered by Congressman TEAGUE's House Select Committee to Investigate Education and Training Programs under the GI bill. Your favorable vote on H. R. 7656 in its present form on June 5 will eliminate further consideration of the Springer amendment, which is meant only as Federal aid to a favored group.

As director of veterans' and adult education, State of Missouri, and president of the National Association of State Approval Agencies, we seek your allegiance to the Korean veteran by your favorable vote for H. R. 7656 without further amendment.

Now here is one from the American Vocational Association, Inc., which also expresses strong opposition to the so-called Springer amendment. It reads as follows:

AMERICAN VOCATIONAL
ASSOCIATION, INC.,
Washington, D. C., June 4, 1952.

To: All Members of the House of Representatives.

Subject: Readjustment bill for Korean veterans, H. R. 7656.

The American Vocational Association, composed of teachers, officials, and lay friends of vocational education located in all States and in virtually every community in the Nation, is strongly opposed to the Springer amendment to H. R. 7656. The members of the American Vocational Association are in favor of the principle included in the present bill of paying tuition and subsistence directly to veteran students.

Direct payment of tuition and subsistence to veterans will eliminate troublesome negotiations in making contracts with the officials of the Veterans' Administration and will thus result in less danger of Federal domination and control of both public and private schools. It will also tend to eliminate abuses that occurred under the present GI bill of rights (Public Law 346 as amended).

We hope that you will see fit to vote for the Teague bill (H. R. 7656) on Thursday, June 5, 1952, in order for this proposal to become law at an early date. The Korean veterans are now returning to their homes in sizable numbers. They should be permitted to begin at once to reenter educational institutions and training programs and thus, so far as possible, offset any loss of educational opportunities resulting from their service in the Armed Forces.

Respectfully submitted.

M. D. MOBLEY,
Executive Secretary.

This measure has been prepared by the Committee on Veterans' Affairs, of which I am chairman, with a view to taking care of those veterans who are now offering up their lives on foreign soil, and of providing certain benefits for their widows and orphans. As I said, I hope this measure will pass without a dissenting vote, and that the Senate will approve it without delay.

Mr. Speaker, I ask for a vote on the motion to suspend the rules and pass the bill.

VETERANS' EDUCATIONAL ASSISTANCE ACT OF 1952

The SPEAKER. The unfinished business is the question on suspending the rules and passing the bill (H. R. 7656) to provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date, as shall be fixed by the President or the Congress, as amended.

Mr. WOLVERTON. Mr. Speaker, the bill now before the House is to provide education and training and other benefits for persons serving in the Armed Forces on or after June 27, 1950. This legislation for the benefit of our Korean GI's is extremely meritorious and should have the support of every Member of this House. It is regrettable that there has been such a long delay in bringing the bill before the House.

The bill will provide benefits which have not yet been enacted for the Korean veterans in the same general fields in which comparable benefits have previously been granted to veterans of World War II. Thus, besides education and training benefits, the bill provides home, farm, and business loan credit assistance, old-age and survivors' insurance credits, mustering-out payments, and employment assistance.

Furthermore, this is an effort and attempt to provide readjustment assistance for those men who have had their normal civilian life interrupted by reason of their service since the outbreak of fighting in Korea.

The care with which the bill has been drawn by the Veterans Committee of the House is commendable. The committee with the help of the American Legion, Veterans of Foreign Wars, Disabled American Veterans, AMVETS, Veterans' Administrator, departments of Government, and other interested parties has done a really good job, although there are some provisions which I think could have been improved if the bill had been permitted to come before the House under a rule that would have permitted amendments.

However, I am pleased at the opportunity that is afforded to vote for this worthwhile legislation. I do so with the hope and expectation that in the event any deficiencies develop during its administration, then, amendments to cor-

rect the same can and will be passed by the Congress.

Mr. DONOHUE. Mr. Speaker, I rise to urge immediate unanimous House approval of this measure to give our Korean war veterans the full privileges and entitlements they so richly deserve and which have been too long delayed.

I would like to congratulate my former associates on the Veterans' Affairs Committee who have worked long and faithfully to present a bill freed from the abuses and deficiencies experience demonstrated was attached to the operation of previous veterans' education and rehabilitation programs. There is, of course, no such thing as a perfect piece of legislation that will satisfy everyone, and there are perhaps some provisions of this measure that will prove faulty; if so, they can be corrected by future amendment.

In my conviction, the two important parties of primary consideration in legislation of this kind are the veterans and the taxpayers.

The committee has done an excellent job of including provisions designed to remove excessive red-tape operation, encourage more efficient administration, and placed barriers against financial abuses to insure the money of the underwriting taxpayers will not be spent needlessly and indiscriminately.

The veterans are being extended practically every educational and rehabilitation benefit accorded the World War II participants, with the additional dignified feature of making payments directly to the veteran himself. This policy does away with the enormous amount of record keeping and duplicating procedures that was shown to be costly and overlapping in past experience. In making money payments directly to the veteran instead of the educational institution, we are merely affirming the obvious fact that those who discharged their war service responsibilities with such eminent success are certainly capable of handling their own finances and planning their own educational ambitions.

There are, according to authorized figures, about 800,000 Korean war veterans already discharged now waiting to continue pursuit of the personal civilian ambitions and desires they patriotically gave up to defend the honor and security of this Nation; many thousands more will renew their private lives and endeavors in the near future.

It is but simple justice, therefore to speedily enact this measure authorizing their entrance into the rehabilitation and educational opportunities owed to them by a grateful country. They willingly fulfilled their military obligation and this is the hour for us to discharge our debt and responsibility to them.

I earnestly urge immediate approval of this legislation and hope it will be accorded the unanimous vote of the House so that procedure will be initiated to guarantee its enactment into law before any temporary adjournment may occur.

Mr. HINSHAW. Mr. Speaker, I must be absent from the floor of the House today attending the graduation exercises of my son and his school in Massa-

chusetts. I would like to have the RECORD show that I approve entirely and support H. R. 7656, the veterans' education and training bill, and hope that it will be enacted promptly. Certainly, the veterans who have served in the United Nations army in Korea are just as much entitled to the same benefits as those who served in our Armed Forces in World War II. The fighting is bitter, the terrain and the weather are tough, and the service has been required of these young men just as it was in World War II.

The SPEAKER. The question is on suspending the rules and passing the bill.

Mr. RANKIN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 361, nays 1, answered "present" 2, not voting 67, as follows:

[Roll No. 92]

YEAS—361

Abbott	Church	Hall,
Abernethy	Clemente	Leonard W.
Adair	Clevenger	Halleck
Addonizio	Cole, N. Y.	Hand
Albert	Colmer	Harden
Allen, Calif.	Combs	Hardy
Allen, Ill.	Cooper	Harris
Allen, La.	Corbett	Harrison, Nebr.
Andersen,	Cotton	Harrison, Va.
H. Carl	Coudert	Harrison, Wyo.
Anderson, Calif.	Cox	Hart
Andersen,	Crosser	Harvey
August H.	Crumpacker	Hays, Ark.
Andrews	Cunningham	Hays, Ohio
Anfuso	Curtis, Nebr.	Hébert
Angell	Dague	Heffernan
Arends	Davis, Ga.	Heller
Armstrong	Davis, Wis.	Herlong
Aspinall	Deane	Hertel
Auchincloss	DeGraffenried	Heselton
Ayres	Delaney	Hess
Bailey	Dempsey	Hill
Baker	Denny	Hoeven
Barden	D'Ewart	Hoffman, Ill.
Baring	Dingell	Hoffman, Mich.
Barrett	Dollinger	Holmes
Bates, Ky.	Dolliver	Horan
Bates, Mass.	Dondero	Howell
Battle	Donohue	Hull
Beall	Dorn	Ikard
Beamer	Doughton	Irving
Belcher	Durham	Jackson, Wash.
Bender	Eaton	James
Bennett, Fla.	Eberhart	Jarman
Bennett, Mich.	Elliott	Jenison
Bentsen	Ellsworth	Jensen
Berry	Elston	Jonas
Betts	Engle	Jones, Ala.
Bishop	Evins	Jones, Mo.
Boggs, Del.	Fallon	Jones,
Boggs, La.	Feighan	Hamilton C.
Bolling	Fernandez	Jones,
Bolton	Fine	Woodrow W.
Bonner	Fisher	Judd
Bosone	Flood	Karsten, Mo.
Bow	Fogarty	Kearney
Boykin	Forand	Kearns
Bray	Ford	Kee
Brown, Ga.	Forrester	Kelley, Pa.
Brown, Ohio	Fugate	Kelly, N. Y.
Brownson	Fulton	Keogh
Bryson	Furcolo	Kersten, Wis.
Buchanan	Garmatz	Kilburn
Budge	Gary	Kilday
Burleson	Gathings	King, Pa.
Burnside	Gavin	Kirwan
Burton	George	Klein
Busbey	Golden	Kluczynski
Bush	Goodwin	Lane
Butler	Gordon	Lanham
Byrnes	Gore	Lantaff
Camp	Graham	Larcade
Canfield	Granahan	Latham
Cannon	Granger	LeCompte
Carnahan	Grant	Lesinski
Carrigg	Green	Lind
Case	Greenwood	Lucas
Celler	Gregory	McCarthy
Chatham	Gross	McConnell
Chelf	Gwinn	McCulloch
Chenoweth	Hagen	McDonough
Chiperfield	Hall,	Edwin Arthur McGrath
Chudoff		

McGregor	Poage	Sittler
McGuire	Polk	Smith, Kans.
McMillan	Poulson	Smith, Miss.
McMullen	Preston	Smith, Va.
Machrowicz	Price	Smith, Wis.
Mack, Ill.	Priest	Spence
Mack, Wash.	Prouty	Springer
Madden	Rabaut	Staggers
Magee	Radwan	Stanley
Mahon	Rains	Steed
Mansfield	Ramsay	Stockman
Marshall	Rankin	Taber
Martin, Mass.	Reams	Talle
Mason	Reece, Tenn.	Taylor
Meador	Reed, Ill.	Teague
Merrow	Reed, N. Y.	Thomas
Miller, Md.	Rhodes	Thompson,
Miller, Nebr.	Ribicoff	Mich.
Miller, N. Y.	Richards	Thompson, Tex.
Mills	Riehlman	Thornberry
Mitchell	Riley	Tollefson
Morgan	Rivers	Trimble
Morrison	Roberts	Vail
Morton	Robeson	Van Pelt
Moulder	Rodino	Van Zandt
Multer	Rogers, Colo.	Velde
Mumma	Rogers, Fla.	Vinson
Murdock	Rogers, Mass.	Vorys
Murphy	Rogers, Tex.	Vursell
Murray	Rooney	Walter
Nelson	Roosevelt	Watts
Nicholson	Ross	Weichel
Norblad	St. George	Wharton
O'Brien, Ill.	Sasscer	Whitten
O'Brien, Mich.	Saylor	Wickersham
O'Brien, N. Y.	Schenck	Widnall
O'Hara	Scott, Hardie	Wigglesworth
O'Konski	Scott,	Williams, Miss.
O'Neill	Hugh D. Jr.	Williams, N. Y.
Osmers	Scrivner	Willis
Ostertag	Scudder	Wilson, Tex.
O'Toole	Secrest	Winstead
Passman	Seely-Brown	Withrow
Patman	Shafer	Wolcott
Patten	Sheehan	Wolverton
Patterson	Shelley	Wood, Idaho
Perkins	Sieminski	Woodruff
Philbin	Sikes	Yates
Phillips	Simpson, Ill.	Yorty
Pickett	Simpson, Pa.	Zablocki

NAYS—1

Devereux

ANSWERED "PRESENT"—2

Dawson

Powell

NOT VOTING—67

Aandahl	Hale	Miller, Calif.
Bakewell	Havener	Morano
Beckworth	Hedrick	Morris
Blackney	Hillings	Norrell
Blatnik	Hinshaw	Potter
Bramblett	Holifield	Redden
Brehm	Hope	Rees, Kans.
Brooks	Hunter	Regan
Buckley	Jackson, Calif.	Sabath
Buffett	Javits	Sadlak
Burdick	Jenkins	Sheppard
Carlyle	Johnson	Short
Cole, Kans.	Keating	Stigler
Cooley	Kennedy	Sutton
Crawford	Kerr	Tackett
Curtis, Mo.	King, Calif.	Welch
Davis, Tenn.	Lovre	Werdel
Denton	Lyle	Wheeler
Donovan	McCormack	Wier
Doyle	McIntire	Wilson, Ind.
Fenton	McKinnon	Wood, Ga.
Frazier	McVey	
Gamble	Martin, Iowa	

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Jenkins with Mr. McCormack.
 Mr. Short with Mr. Sabath.
 Mr. Gamble with Mr. Buckley.
 Mr. McIntire with Mr. Denton.
 Mr. Werdel with Mr. Kennedy.
 Mr. Hale with Mr. Holifield.
 Mr. Keating with Mr. Regan.
 Mr. Jackson of California with Mr. Sheppard.
 Mr. Sadlak with Mr. Stigler.
 Mr. Hope with Mr. Blatnik.
 Mr. Potter with Mr. Tavenner.
 Mr. Brehm with Mr. Kerr.

Mr. Lovre with Mr. McKinnon.
 Mr. Bakewell with Mr. Miller of California.
 Mr. Johnson with Mr. Morris.
 Mr. Blackney with Mr. Frazier.
 Mr. Aandahl with Mr. Doyle.
 Mr. Hillings with Mr. Donovan.
 Mr. Bramblett with Mr. Norrell.
 Mr. Hinshaw with Mr. Lyle.
 Mr. Hunter with Mr. Wier.
 Mr. Javits with Mr. Davis of Tennessee.
 Mr. Wilson of Indiana with Mr. Cooley.
 Mr. Rees of Kansas with Mr. King of California.
 Mr. Fenton with Mr. Welch.
 Mr. Morano with Mr. Beckworth.
 Mr. Curtis of Missouri with Mr. Brooks.
 Mr. Martin of Iowa with Mr. Carlyle.
 Mr. Crawford with Mr. Hedrick.
 Mr. McVey with Mr. Sutton.
 Mr. Cole of Kansas with Mr. Wheeler.
 Mr. Burdick with Mr. Tackett.
 Mr. Buffett with Mr. Redden.

Mr. POWELL changed his vote from "yea" to "present."

The result of the vote was announced as above recorded.

GENERAL PERMISSION TO EXTEND REMARKS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

KOREAN VETERANS BILL OF RIGHTS

(Mr. MCINTIRE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MCINTIRE. Mr. Speaker, official business at the Department of Agriculture caused my absence from the Chamber at the time the vote was taken on roll call No. 92 on the bill H. R. 7656. Had I been here my vote would have been "yea." I ask unanimous consent that these remarks follow the roll call vote on H. R. 7656.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

PERSONAL EXPLANATION

Mr. JAVITS. Mr. Speaker, on the roll call on the motion to suspend the rules and pass the bill H. R. 7656, the Veterans' Educational Assistance Act of 1952, I was unavoidably detained just outside the Chamber on the affairs of a constituent and was not informed that the roll call was being concluded. If I had been present I would have voted "yea." I introduced a similar measure myself in this session to give veterans of service after June 27, 1950, the full benefit of the GI bill as given to veterans of World War II. I was present on Monday last, June 2, for the debate on this bill and rose here immediately before the vote to obtain a roll call.

KOREAN VETERANS BILL OF RIGHTS

(Mr. STAGGERS and Mr. FINE asked and were given permission to extend their remarks at this point in the RECORD.)

Mr. STAGGERS. Mr. Speaker, I am for this bill 100 percent and think it should be passed now. Any opposition to it seems to me to be out of place in this national crisis, because we are only trying to do for the Korean veterans what has already been done for the veterans of World War II. Oftentimes in traveling about in my district I hear the remarks made, "Too much is being done for the veterans. We are babying them."

What if the enemy was coming down through Canada and another group coming up through Mexico, who would we call on to save the United States of America and our very lives? The serviceman, of course.

Many thousands of our boys have been killed in Korea. Why should we not take care of their widows and families and others who were depending on them for support? Why should we not be willing to sacrifice to give these benefits to those fortunate enough to come back to make up just a little bit for the financial losses they sustained while fighting our cause?

We frequently find the ones doing the loudest complaining are those who did not have to go to the service or who do not have a relative in uniform. This is not always the case, but it is frequently that way.

On the other hand we have to do things within reason but I think this is a fair and reasonable bill; therefore, I think we as Members of this House should vote for it.

Mr. FINE. Mr. Speaker, I am happy that at long last the Veterans' Committee has brought to the House for action this urgently needed and just legislation to grant to our boys engaged in the Korean conflict benefits similar to those granted the GIs of World War II under Public Law 346 of the Seventy-eighth Congress. I salute the committee for its forthright decision to eliminate the flimsy distinctions between Korean veterans and those of World War II. This bill, of course, is not perfect in all details in that it does not extend all of the benefits, but it is a step in the right direction. Once having passed the basic law it will be comparatively simple to iron out the inequities by amendments. Good common sense dictates prompt approval of the measure before the House.

To our boys in Korea the present conflict in which they are engaged is not police action; it is war. To our people at home, their husbands, sons, and fathers are at war. They have been placed in the uniform of our country and are active members of the armed services of the United States. Guns have been placed in their hands; they have maimed and killed the enemy and in turn have been maimed and killed themselves. They are at war, and let us call it what we will—undeclared war, cold war, or police action—to our boys lying in hospital beds and to their families at home, it is a real war in all its horrible

aspects and consequences. As of May 23 last, 19,219 of our American boys have lost their lives. Seventy-nine thousand two hundred and sixty-eight have been wounded, of which 1,791 have died of such wounds. One thousand two hundred and four are listed as prisoners of war and 9,696 are currently missing in action. They are fighting and have fought for the same freedom for which their buddies fought in World War I and World War II. Then why delay in granting to them the rights and privileges accorded said buddies?

I can realize that it was necessary to make some changes and to plug loopholes to correct the abuses arising from the administration of Public Law 346 on which the bill before us is patterned. Now that work is completed let us fulfill our obligations by extending to all veterans of the Korean hostilities who served from the beginning on June 27, 1950, to the end, whenever that may be, every benefit voted for veterans of former wars.

I am particularly interested in having Title III, Housing, put into effect without delay. Korean veterans returning home are confronted with serious housing problems and are resentful when advised that the preferences accorded to veterans of previous wars have not been accorded to them—and rightfully so. They have been called upon to serve in a conflict which has jeopardized their civilian advancement as completely as did those who served in other wars and must not be discriminated against in any way. I am wholeheartedly in favor of this bill and will vote for its passage.

1952 COTTON PARITY STANDARD

Mr. COLMER. Mr. Speaker, I call up House Resolution 658 for further consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5713) to amend the Agricultural Act of 1949 to provide that Low Middling $\frac{7}{8}$ -inch cotton shall be the standard grade for the purposes of determining parity and price support for the 1952 cotton crop. That after general debate which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. ALLEN of Illinois. Mr. Speaker, the gentleman from Mississippi explained this rule the other day. I know of no one on this side who is opposed to the rule, although some are opposed to the bill itself.

Mr. Speaker, I reserve the balance of my time.

Mr. COLMER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. ABERNETHY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5713) to amend the Agricultural Act of 1949 to provide that Low Middling $\frac{7}{8}$ -inch cotton shall be the standard grade for the purposes of determining parity and price support for the 1952 cotton crop.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5713, with Mr. PRICE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. ABERNETHY. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, before going into the objective and effect of this bill I think I should first give a little background and relate the events and experiences which lead to this legislation.

In January, 1952, possibly earlier, the Secretary of Agriculture announced the agricultural production goals for all crops for the year 1952. Among the goals was a proposed cotton crop of 16,000,000 bales.

Mr. Chairman, such a crop is unusually large. Only in 6 years in all the history of cotton production have farmers produced a crop of such magnitude, and only twice in the last 20 years has such a crop been produced. The 1952 goal is approximately 900,000 bales more than was produced in 1951, which crop itself was regarded as unusually large.

Mr. Chairman, in the production of a 16,000,000-bale crop of cotton there are very unusual and dangerous risks involved. Under the present status of our cotton program, farmers are not only called upon by their Government to produce the large crop but they are expected to assume all of the risks even though the crop is to be produced in the interest of national defense. If it should result that our country will not need for the purposes of national defense, for domestic consumption and export, the quantity of cotton included in this goal, then it is quite possible that farmers will again have thrust upon them acreage allotments which they abhor and which all of us abhor.

It is also quite possible that such a large crop will plunge cotton to a price level that will not reflect the actual cost of production. Furthermore, in planting for a 16,000,000-bale crop it is possible to produce, under the most favorable conditions, 17, 17½, or even 18 million bales. Either would be disastrous and the cotton farmer would not only pay the penalty of having to sell his cotton at a disastrously low price, but would in all probability find himself producing cotton

under controls for several years. These are the risks which farmers are expected to assume. For whose interest? For their country's interest, for the interest of everyone, in the interest of national defense. Since the appeal is made in the interest of everyone, then I feel that the risks involved should be eliminated and that is what my bill purports to do.

What is the basis for this large goal? I have before me the 1952 Production Goals Handbook, issued by the United States Department of Agriculture. From the foreword of the handbook and over the signature of the secretary I quote the following:

If plantings are in line with the goals and if yields come up to expectation, our people will have enough food, the pressing requirements of military preparedness will be filled, and we can continue to help the peoples allied with us in defense of freedom.

On page 54 of the handbook under the subject of cotton I find this language:

The 1952 production goal of 16,000,000 bales of cotton reflects the continuing need for increased production for military, defense, and essential civilian requirements.

Quoting further from another paragraph:

Therefore, cotton producers are urged to select the most suitable land and make the best possible use of all available resources in 1952 in order that another large cotton crop may be produced efficiently and marketed in an orderly manner.

There, Mr. Chairman, is the appeal by the Department of Agriculture to cotton farmers to produce a crop which has been equaled only six times in all history and for what purpose? I repeat again. In the interest of national defense. For whose benefit? If it is in the interest of national defense then it is for the benefit of every man, woman, and child in America.

After the goal was established, what then took place? Employees in the Department of Agriculture then fixed goals for each State, and thereafter broke the goals down to each county. Information then went down to the county PMA administrative officials whose duty it is to work among farmers and urge them to meet the production goal. This procedure applies to all crops.

They then called in the county committees and the precinct committees, and these committeemen were informed as to the goal. They were then charged with the responsibility of contacting the farm people and informing them of the goal for the community, for the county, the State, and Nation. Farmers were impressed with the fact that the goal was in the interest of national defense. The language which I just read to you from the Agricultural Handbook was cited and an appeal was made to their patriotism to produce the large crop.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Iowa.

Mr. GROSS. I know very little about cotton, so will the gentleman explain to me what precisely is meant by "middling," and, what is it, "seven-eighths"?

Mr. ABERNETHY. I will get down to that in just a few minutes.

In addition to the pleas, which I have just described, made to farmers to produce this extraordinary crop, every PMA administrative officer in the Cotton Belt received a suggested piece of publicity from the Department of Agriculture, with the request that it be published in the local papers. For what purpose? To further urge farmers to produce this large crop in the interest of national defense. I have before me a clipping taken from one of the country papers in my district. The subject is the "1952 Cotton Goal." This piece of publicity is in the nature of a bleeding appeal to cotton farmers to use their best land and toil hard and long hours to produce this large crop in the interest of national defense.

So, Mr. Chairman, the production of this quantity of cotton is as much a defense measure as is the production of machines and the direct materials of war. It is generally accepted that in order to secure all-out industrial production it is necessary to provide incentives in the form of loans, accelerated tax amortization, cost-plus contracts, bonuses, and higher wages, plus an assurance to the manufacturer that he will not be forced to sustain any loss if the need for his product should not be as great as anticipated, leading to the cancellation of his contract. In the case of cotton needed for defense, however, the accepted theory appears to be that it is only necessary to appeal to the patriotic motives of farmers, tell them how much the Government wants them to produce, and leave them to take all the risk of financial loss if they accidentally produce more than is needed or if the Department of Agriculture has overestimated the need for their product.

Mr. Chairman, I take the position it is wrong for our Government to call upon any segment of our economy to produce a crop, or a machine, or any article in the interest of national defense unless he is given reasonable protection against a price break to a level below the cost of production. This might well happen to cotton farmers this fall.

The mere anticipation of a large crop was sufficient in 1951 to send cotton down more than 10 cents per pound and virtually to support levels.

Since the spring of 1951, the prices of almost everything that goes into the cost of producing cotton have increased. Wage rates for day labor, for example, have gone up 12 percent; the cost of machinery, fertilizers, insecticides, and other supplies have generally advanced. Mr. Chairman, if farmers are forced to sell their cotton in 1952 at the present support level, many of them will not get back their cost of production.

The quality of cotton is largely determined by the length of time that it remains open in the field before being picked. Unpicked, open cotton is subject to damage from wind, rain fall, and dust. To assure a high quality crop, every farmer attempts to pick his crop as soon as it opens. This requires several pickings for each field. Unfortunately,

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued June 20, 1952

For actions of June 19, 1952

82nd-2nd, No. 107

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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Electrification.....11,17	Price control.....15	Veterans' benefits.....8
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HIGHLIGHTS: House sent agricultural appropriation bill to conference. House committee reported Poage soil-conservation aid bill. House debated defense production bill. House discussed price-support levels bill. Senate passed Army civil-functions appropriation bill.

HOUSE

1. AGRICULTURAL APPROPRIATION BILL, 1953. Reps. Whitten, Hedrick, Marshall, Cannon, Andersen, Horan, and Taber were appointed conferees on this bill, H. R. 7314 (p. 7749). Senate conferees were appointed June 6.
2. SOIL CONSERVATION; WATER UTILIZATION. The Agriculture Committee reported without amendment H. R. 8243, to authorize the Secretary of Agriculture to cooperate with States and local agencies in the planning and carrying out of works of improvement for soil conservation (H. Rept. 2222) (p. 7790).
3. DEFENSE PRODUCTION. Continued debate on H. R. 8210, to amend and extend the Defense Production Act (pp. 7754-88).
Agreed to a Sadlak amendment which denies any authority to limit the domestic consumption of any material in order to restrict total U. S. consumption to an amount fixed by the International Materials Conference after meeting requirements of national defense; by a 169-102 vote (pp. 7755-70).
Rejected, 25-105, a Boggs amendment to repeal Sec. 104, the import-control provision (pp. 7776-81). Also rejected, 30-86, a Multer amendment to exempt premium-priced commodities from Sec. 104 (pp. 7781-2).
4. PRICE SUPPORTS. Rep. Cooley asked for consideration of H. R. 8122, to continue availability of the old parity formula and to postpone authority for the sliding scale on basic commodities, but after discussion Rep. Javits objected (pp. 7752-3).

SENATE

5. APPROPRIATIONS. Passed with amendments H. R. 7268, Army-civil-functions appropriation bill. Sens. McKellar, Hayden, Russell, Ellender, Holland, Knowland,

Young, Gordon, and Thye were appointed conferees. Agreed to all committee amendments plus two additional amendments increasing flood control funds by \$700,000, and providing \$900,000 for investigation of the Niagara Redevelopment works. Rejected a Bridges motion to recommit the bill to committee with instructions for a 10% reduction, a Ferguson amendment to reduce funds for flood control by \$11,976,700 and, on points of order, a Monroney amendment providing for transfer of 2% of flood control funds to this Department for use in accordance with the Flood Control Act (pp. 7735, 7738-40), and Douglas amendment barring flood-control projects directly benefiting the lands involved unless the owner agrees to pay one-half of the cost (pp. 7710-9, 7721-43.)

Passed as reported H. R. 7216, D. C. appropriation bill for 1953. Conferees were appointed. (pp. 7743-4.)

6. PURCHASING. The Armed Services Committee reported with amendments H. R. 7405, providing for a single defense supply cataloging system (S.Rept. 1796)(p. 7706).

7. PERSONNEL. Began consideration of S. 3061, to permit and assist Federal personnel including members of the Armed Forces, and their families to exercise their voting franchise, agreeing to all committee amendments, and making the bill Friday's unfinished business (pp. 7744-6).

8. VETERANS' BENEFITS. A Labor and Public Welfare Subcommittee completed the markup of H. R. 7656, the Korean GI bill (p. D611).

9. FOREIGN TRADE. Received a Philippine Chamber of Commerce letter relating to the elimination of the 3 cents processing tax on coconut oil (p. 7704).

Received a Ponce (Puerto Rico) Chamber of Commerce petition urging repeal of the Andresen amendment to the Defense Production Act on the importation of oil, cheese and butter from other countries (p. 7704).

10. DEFENSE PRODUCTION. Sen. Malone praised the House for eliminating the authority of the International Materials Conference from the Defense Production Act (pp. 7729-30).

BILLS INTRODUCED

1. ELECTRIFICATION. S. J. Res. 168, by Sen. Magnuson, authorizing an inquiry by the Federal Trade Commission into certain practices and activities of private companies engaged in the production, distribution, or sale of electrical energy in interstate commerce; to Interstate and Foreign Commerce Committee (p. 7706). Remarks of author (pp. 7706-7.)

12. PERSONNEL. H. Res. 701, by Rep. McMillan, to authorize the Committee on Ways and Means to conduct a comparative study of the different kinds of employees' benefits available to persons in public and private employment; to Rules Committee (p. 7790). Remarks of author (pp. A4010-1.)

ITEMS IN APPENDIX

13. DEFENSE PRODUCTION. Rep. McCormack inserted an AFL letter favoring price ceilings on fresh fruits and vegetables, and repeal of the so-called Herlong and Caphart amendments (pp. A4009-10).

14. TAXATION; EXPENDITURES. Rep. Gamble inserted a newspaper editorial favoring S. J. Res. 155, which would limit nonmilitary spending by the Federal Government to 5% of the estimated national income (p. A4015).

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued June 26, 1952
For actions of June 25, 1952
82nd-2nd, No. 112

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	Personnel.....2,5	Wage control.....1
	Price control.....1	Weed control.....19

HIGHLIGHTS: House debated defense production bill. Senate passed Interior appropriation bill. House received conference report on independent offices appropriation bill. Senate committees reported resolution to extend CCC storage investigation and GI bill for Korea veterans. Sen. Ellender (for himself and Sen. Aiken) introduced bill to make FCA independent, etc. House agreed to conference report on Treasury-Post Office appropriation bill. House sent to conference bill for foot-and-mouth disease laboratory appropriations. House received veto message on immigration and naturalization bill. House committee was authorized to report supplemental appropriation bill today for debate Friday.

HOUSE

1. DEFENSE PRODUCTION. Continued debate on H. R. 8210, to amend and extend the Defense Production Act (pp. 8161-207, 8213).

Agreed to the following amendments:

By Rep. Barden, to end wage and price controls July 31, 1952, by a 118-87 vote (pp. 8204-7).

By Rep. Dague, to modify price control on services of food-locker plants (pp. 8199-200).

By Rep. Cole of Kans., to permit wholesalers and retailers to have their historical and individual mark-ups, by a 105-83 vote (p. 8196).

By Rep. Wolcott, to make clear that the period before June 24, 1950, is the base period (pp. 8202-3).

Rejected the following amendments:

By Rep. Poage, to decontrol the price of any commodity when it remains as much as 2% below the ceiling price for more than 30 days; by a 22-82 vote (pp. 8189-95).

By Rep. Javits, to strike out the provision for price supports at 90% of parity on basic commodities (p. 8195).

By Rep. Rogers of Tex., to provide that farm labor while an employee is not legally required to attend school shall not be deemed to be oppressive child labor, by a 10-97 vote (pp. 8197-9).

By Rep. Multer, to restore the original credit control provision (pp. 8203-4).

2. APPROPRIATIONS: Agreed to the conference report on H. R. 6854, the Treasury-Post Office appropriation bill for 1953 (p. 8160).

Received the conference report on H. R. 7072, the independent offices appropriation bill for 1953. The conferees restored the Thomas leave rider but added a provision to the effect that the provision shall not be applicable to leave accumulated prior to Jan. 1, 1952. (pp. 8207-12.)

Reps. Cannon, Sikes, and Taber were appointed conferees on H. R. 7860, the urgent deficiency appropriation bill which includes appropriations for a foot-and-mouth disease laboratory and flood rehabilitation (p. 8222). Senate conferees were appointed June 19.

The Appropriations Committee was authorized to report a supplemental appropriation bill today for debate tomorrow (Fri.) (p. 8161).

3. IMMIGRATION. Received the President's veto message on H. R. 5678, to revise the immigration and naturalization laws (H. Doc. 520) (pp. 8225-8).

4. FORESTRY. The Interior and Insular Affairs Committee reported without amendment H. R. 8341, providing that deposits of sand, stone, gravel, pumice, cinders, etc., when situated on national forest lands, shall not be subject to acquisition under any other law (H. Rept. 2299) (p. 8231).

5. PERSONNEL. The Post Office and Civil Service Committee reported with amendment H. R. 554, recognizing rights of officers and representatives of Government employees' organizations to present employee grievances and to confer with administrative officers on matters of policy affecting working conditions, etc. (H. Rept. 2311) (p. 8231).

6. PUERTO RICO. House conferees were appointed on H. J. Res. 430, approving the Puerto Rican Constitution (p. 8222). Senate conferees were appointed June 23.

7. ELECTRIFICATION. The Public Works Committee reported without amendment H. R. 6436, to change the name of the Bonneville Power Administration to the Columbia Power Administration (H. Rept. 2313) (p. 8231).

SENATE

8. INTERIOR APPROPRIATION BILL, 1953. Passed with amendments this bill, H. R. 7176, (pp. 8100, 8102-23, 8125-40). Sens. Hayden, O'Mahoney, McCarran, Chavez, Cordon Young, and Knowland were appointed conferees. Agreed to all committee amendment (some with amendments). Amendments rejected included: Douglas amendment reducing by \$31 million funds for construction and rehabilitation, Bureau of Reclamation (pp. 8119-23, 8125-30); on points of order Douglas amendments earmarking \$181,000 of funds for Fish and Wildlife Service for education of children of migratory workers (pp. 8133-7), and barring funds for reclamation projects unless provision was made for revenues therefrom (p. 8139).

9. GRAIN STORAGE. The Agriculture and Forestry Committee reported without amendment S. Res. 338, authorizing a 2 months extension of the investigation of storage and processing activities of the CCC (S. Rept. 1808) (p. 8090); referred to Rules and Administration Committee. The "Daily Digest" states that the extension "is for the purpose of writing a report."

10. VETERANS' BENEFITS. The Labor and Public Welfare Committee reported with amendments H. R. 7656, the GI bill for veterans of the Korean conflict (S. Rept. 1824) (p. 8090).

11. RECLAMATION. The Interior and Insular Affairs Committee reported with amendments S. 2720, approving contracts with the Gering and Fort Laramie, the Goshen, and the Pathfinder irrigation districts, and authorizing execution of contracts with

EDUCATIONAL AND OTHER BENEFITS FOR CERTAIN
PERSONS IN ACTIVE SERVICE IN THE ARMED FORCES.
ON OR AFTER JUNE 27, 1950

JUNE 25 (legislative day, JUNE 21), 1952.—Ordered to be printed

Mr. HILL, from the Committee on Labor and Public Welfare,
submitted the following

REPORT

[To accompany H. R. 7656]

The Committee on Labor and Public Welfare, to whom was referred the bill (H. R. 7656) to provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the armed services on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, having considered the same, report favorably thereon with amendments, and recommend that the bill as amended do pass.

Committee amendments appear in the bill as follows:

1. New matter is printed in *italic*.
2. Matter stricken out is shown in ~~line type~~.

INTRODUCTION

The basic and fundamental provisions of the bill have been drafted in accordance with findings, recommendations, and conclusions made as a result of intensive and exhaustive investigations, hearings, and studies conducted by committees of the Congress, by the General Accounting Office and the Administrator of Veterans' Affairs.

More specifically, this legislation is designed to prevent or minimize the recurrence of the abuses and fraudulent practices which arose under the administration of the various provisions of the so-called GI bill of rights and which were disclosed by reports submitted to the Congress by the aforesaid committees and agencies.

The bill seeks to protect the veteran and the American taxpayer from the frauds and costly mistakes brought to light by the thorough and painstaking investigations conducted by a House select committee

under the chairmanship of Hon. Olin E. Teague, of Texas. That committee was created August 28, 1950, and submitted its report to the Congress on the operation of the veterans' educational program under the GI bill on February 11, 1952 (H. Rept. 1375, 82d Cong., 2d sess.). During that 18-month period the committee made numerous on-the-spot investigations, conducted a State-by-State study, and held lengthy hearings both here and in the field. Contributions made by the Teague committee to the task of drafting appropriate legislation on this subject were invaluable.

Furthermore, the legislation was the subject of lengthy hearings held by the House Veterans' Affairs Committee from February 6, 1952, through March 11, 1952—a 6-week period during which interested and affected parties were given an opportunity to testify and to offer suggestions and recommendations.

In the Senate, hearings were held by the Committee on Labor and Public Welfare on similar legislation (S. 1940 by Senators George and Kerr) on September 17, 18, and 19, 1951. Witnesses representing the Federal Government, national education associations, trade associations, and the major veterans' organizations testified on the subject matter. No final action was taken on that bill, however, because of the desire of the committee members to await the findings and recommendations of the Teague committee of the House.

Following the filing of the Teague report, the conclusion of the hearings before the House Committee on Veterans' Affairs and the passage of the bill, H. R. 7656, by the House on June 5, 1952, a special subcommittee of the Committee on Labor and Public Welfare, composed of Senator Hill, chairman, and Senators Douglas, Pastore, Aiken, and Ives, began executive hearings on the House measure on June 10, 1952. Hearings continued on June 11, 12, 13, and 17, during which time testimony was heard from the following: Hon. Olin E. Teague, Member of Congress from Texas, Hon. Walter Rogers, Member of Congress from Texas, Hon. William L. Springer, Member of Congress from Illinois; Hon. James B. Devereux, Member of Congress from Maryland; Hon. Lindsay C. Warren, Comptroller General of the United States; Dr. Earl James McGrath, Commissioner of Education; Guy H. Birdsall, Assistant Administrator, and other representatives of the Veterans' Administration; Wilbur Cohen, technical adviser to the Commissioner for Social Security; W. F. Patterson, Director of the Bureau of Apprenticeship of the Department of Labor; Eugene H. Rietzke and Bernard H. Ehrlich, representing the National Federation of Private School Associations; John E. Fields, vice president of the University of Southern California; Charles J. Turck, president, Macalester College, St. Paul, Minn.; Francis H. Horn, executive secretary, department of higher education, National Education Association; Dr. John J. Meng, dean of administration, Hunter College of the City of New York; and Charles H. Foster, business assistant to the president of the State University of New York.

From the above record, it is clear that the proposed legislation is the product of exhaustive research and investigation as well as intensive study by persons of recognized authority and competence in those fields of activity coming within the purview of the measure.

BRIEF SUMMARY OF MAJOR PROVISIONS

TITLE I—STATEMENT OF POLICY

The short title of the bill, as set forth in title I, is the Veterans' Readjustment Assistance Act of 1952.

The general purpose of the bill is twofold:

- (a) The education and training features are designed to assist the veteran whose education or vocational training was interrupted by reason of military service to attain that educational and training status which he might normally have aspired to and obtained; and
- (b) The other provisions of the bill seek to aid the veteran in his readjustment from military to civilian life.

TITLE II—EDUCATION

1. Grants 1½ days of education or training for each day of service on or after June 27, 1950, *regardless of where service was performed*, up to a closing date to be determined by the President or the Congress—maximum period limited to 36 calendar months which would be equivalent to a 4-year academic college course. Persons eligible under World War II program and also eligible under this bill may take training under both the GI bill and the present bill not to exceed a total of 48 months in the aggregate.

2. The program of education or training must be initiated within 2 years after discharge and completed within 7 years after discharge.

3. Veteran may make one change in program and only one change.

4. Avocational and recreational courses may be taken if evidence is submitted that they will be of bona fide use in pursuit of the veteran's present or contemplated business or occupation. Flight training is not designated as an avocational or recreational course.

5. With specified exceptions, courses must have been in existence for 1 year prior to enrollment of the veteran and in the case of proprietary profit schools offering nonaccredited courses (except farm training) enrollments must include at least 10 percent nonveteran students in each course.

6. The basic education and training allowance for an institutional course includes expenses of subsistence, supplies, books, and equipment and is computed as follows:

(a) For a full-time program at the rate of \$80 per month if the veteran has no dependent; \$105 per month if he has one dependent; \$130 per month if he has more than one dependent.

(b) For a three-fourths-time program at the rate of \$60 per month if the veteran has no dependents; \$80 per month if he has one dependent; \$100 per month if he has more than one dependent.

(c) For a one-half-time program at the rate of \$40 per month if the veteran has no dependents; \$50 per month if he has one dependent; \$70 per month if he has more than one dependent.

(d) For combination institutional and on-the-job training courses at the rate of \$75 per month if the veteran has no dependents; \$95 per month if he has one dependent; \$115 per month if he has more than one dependent.

(e) For flight training at the rate of 75 percent of the established charge.

(f) For apprentice or other training on the job at the rate of \$70 per month if he has no dependents; \$85 per month if he has one dependent; \$105 per month if he has more than one dependent. Allowances for such training are subject to reduction for each 4 months as course progresses, in accordance with mathematical formula. Allowances are subject to income limitation of \$225 per month if he has no dependents; \$275 per month if he has one dependent; \$310 per month if he has more than one dependent.

(g) For institutional on-farm training at the rate of \$70 per month if he has no dependents; \$85 per month if he has one dependent; \$105 per month if he has more than one dependent; except that allowance is subject to reduction for each 4 months as course progresses, in accordance with mathematical formula.

7. A veteran pursuing an institutional course, combination course, or institutional on-farm training course will receive, in addition to his basic education and training allowance, an allowance to meet in part the cost of tuition and fees, but not to exceed the rate of \$360 for an academic year, or a pro rata part thereof for part-time training.

8. Veterans pursuing less than one-half time program and those pursuing a course of training exclusively by correspondence, will receive an allowance based upon the established charges, tuition, and fees of the institution.

9. Bars taking of courses by person on active duty in one of the branches of the Armed Forces.

10. Bars employees of the Veterans' Administration and employees of State approval agencies from having any pecuniary interest in schools or other educational institutions which conflict with the interest of the Government, except that the Administrator may waive in writing applicability of section if he finds that no detriment will result therefrom either to the veteran or to the Government.

11. Payments made by the Administrator are subject to review by the General Accounting Office.

12. Provides specific criminal penalties for violations of the act.

13. Sets out strict criteria and standards for approval of below college level nonaccredited courses.

14. Creates an Advisory Committee with Commissioner of Education and Secretary of Labor as ex officio members.

15. Provides that Administrator shall pay to each educational institution a uniform allowance to assist in defraying the expense of preparing and submitting reports and certifications to the Veterans' Administration.

COST DATA

Direct benefit costs at leveling-off period

Estimated annual cost of bill as passed by House..... ¹ \$815, 760, 000

¹ For activities under jurisdiction of Vocational Rehabilitation and Education.

Estimated annual cost of bill as reported by committee..... ² 799, 920, 000

² Reduced cost benefits due largely on account of the 3 category rates for dependents.

Administrative costs at leveling-off period

Estimated annual cost of bill as passed by House..... \$18, 000, 000

Estimated annual cost of bill reported by committee..... ¹ 30, 000, 000

¹ Increase due principally to compensate educational institutions for services in rendering reports and certifications to the VA.

(NOTE.—Additional administrative costs involving Finance Department and other activities not included in these amounts.)

TITLE III—LOANS

This title extends to veterans who were on active duty on or after June 27, 1950, the same housing benefits as were granted to World War II veterans by the provisions of title III of the Servicemen's Readjustment Act of 1944, as amended. These include guaranty of home loans up to 60 percent, with a maximum guaranty of \$7,500, to eligible veterans and widows of such veterans whose deaths occurred through service connection; a business loan guaranty of \$2,000; direct loans in rural areas where private financing is not available up to an amount not in excess of \$10,000—the interest rate in all loan categories not to exceed 4 percent. In addition, sales of property may not be financed through the assistance of this title within a 1-year period following construction, unless the property meets or exceeds the minimum requirements for planning, construction, and general acceptability.

TITLE IV—MUSTERING-OUT PAYMENTS

In lieu of unemployment compensation or readjustment benefits, mustering-out payments are provided as follows: \$100 for less than 60 days of active service, \$200 for more than 60 days' active service, \$300 for more than 60 days' active service and service overseas. (Includes all those up to and including the rank of captain in the Army, Marine Corps, and Air Force and lieutenant senior grade in the Navy and Coast Guard.)

Annual cost of title IV approximates \$200,000,000 per annum.

TITLE V—EMPLOYMENT OF VETERANS

Provides employment assistance to eligible veterans on the same basis as World War II veterans.

EXPLANATION OF COMMITTEE AMENDMENTS

TITLE I—STATEMENT OF POLICY

Section 102: Wage credits for veterans of the Korean conflict and lump-sum death payments for reinterment of deceased veterans are included in H. R. 7800, passed by the House and Senate. Therefore all social-security provisions have been stricken from this bill.

TITLE II—EDUCATIONAL AND VOCATIONAL ASSISTANCE

DEFINITIONS

Section 201(7): The committee struck out the words "apprentice council" and inserted in lieu thereof "joint apprentice committee" in order to differentiate between an apprentice council, which is a State agency, and a joint apprentice committee, which is one composed of representatives of labor and management.

Section 201 (12): The committee designated the Secretary of Labor as an ex officio member of the Advisory Committee to the Veterans' Administration created by section 262; therefore it was necessary to define the term "Secretary".

COMMENCEMENT; TIME LIMITATIONS

Section 212 (a): The change from September 1, 1954, to August 1, 1954, is in conformity with the change in the effective date of the act, which is August 1, 1952.

SELECTION OF PROGRAM

Section 221: The committee agreed that limiting the veterans' education and training program to the continental United States and the Philippines was unduly restrictive and inconsistent with the objectives of the Fulbright scholarship program as well as the general objectives of our foreign policy; therefore, the restrictive provision was stricken.

CHANGE OF PROGRAM

Section 223 (a): It was the committee's position that a veteran should not be allowed even one change of program where such change was occasioned by his own misconduct, neglect, or lack of application; therefore, a provision was added to meet this contingency.

AVOCATIONAL AND RECREATIONAL COURSES

Section 224 (b) (1): The committee removed flight training from classification as an avocational or recreational course because it felt that the provisions of section 232 (g), which obligate the veteran to pay 25 percent of the cost of such training, are sufficient to guard against flight training being pursued as an avocational or recreational activity.

MINIMUM NUMBER OF NONVETERAN STUDENTS REQUIRED

Section 226: The committee agreed that the original requirement of the bill that there must be a nonveteran enrollment in each course of at least 25 percent of the total enrollment in the course was unduly restrictive and therefore lowered this requirement to a figure of 10 percent.

PERIOD OF OPERATION FOR APPROVAL

Section 227 (a) and (b): The committee agreed that the 2-year provision contained in the Teague bill might conceivably work an undue hardship upon educational institutions. There was also unanimity of opinion that the language "1 year immediately prior to the enrollment of such veteran" was a sufficient safeguard against the creation of fly-by-night schools.

EDUCATION AND TRAINING ALLOWANCE

Section 231 (a): The committee struck out the words relating to the veteran's subsistence, tuition, fees, and so forth, and inserted "his program of education or training" in order to make this particular section conform to the provisions of section 232, where the veteran's education and training allowances are defined and computed on a basis differing from that contained in the Teague bill as it passed the House.

COMPUTATION OF EDUCATION AND TRAINING ALLOWANCES

Section 232: The amendments adopted by the committee to this particular section work a substantive change in the basic philosophy of the Teague bill and in the method of computing payments made directly to the individual veteran. The committee, after lengthy discussion and deliberation, came to the conclusion that in order to avoid any discrimination against either private or public educational institutions, some method of payment other than that proposed by the Teague bill should be provided. The essential difference is that under the Teague bill a uniform payment is made directly to the veteran of an amount deemed to be sufficient to assist him in pursuing his educational objective. Under that method of payment no attempt is made to separate subsistence from tuition costs or to determine what the charge for tuition actually is. However, under the committee amendment a new method of computing payments is provided because the committee believed that the Teague proposal might result in discrimination against certain high-cost educational institutions in that a majority of veterans, for economic reasons, would choose to attend low-cost or tuition-free, publicly supported institutions in order to retain for their own use a larger portion of the total allowance. Therefore, the committee amendment provides for:

Payment of a total amount directly to the veteran, but that total amount is to be computed on the basis of the following factors:

(a) A uniform subsistence allowance, payable to all eligible veterans; and

(b) An additional amount sufficient to meet the actual cost of tuition and fees, but not to exceed the rate of \$40 per month (\$360 for an academic year) and in no event to exceed that amount required to be paid by similarly circumstanced nonveteran students.

The new language inserted in this section by the committee is designed to provide a basis for computing, first, the basic education and training allowance to the veteran to meet in part his expenses of subsistence, supplies, books, and equipment and, secondly, that part of his total allowance which must be paid by him to the institution in which he is enrolled, for the purpose of meeting the cost of tuition and fees.

The addition of the third category of dependency and the increase in the rate of the basic education and training allowance for this particular category is to provide a small monthly increase for the veteran who has more than one dependent and to provide a differential between the married veteran with no children and the married veteran with children or other dependents.

The same basis for computing the basic education and training allowance, and the addition of the third category of dependency is carried out for all other categories of training, including earning limitations for veterans pursuing apprenticeship or other training on the job.

The new language inserted by the committee in subsection (g) of this section is designed to guard against the possibility that a veteran pursuing flight training exclusively might be able to qualify for an additional educational and training allowance.

The committee has added a new subsection (h), which will provide the veteran with an additional education and training allowance to

assist him in defraying established charges for tuition and fees which a similarly circumstanced nonveteran student is required to pay. The committee also provided that this additional education and training allowance shall not exceed the rate of \$40 per month for a full-time program, or the pro rata part thereof for a part-time program.

FULL-TIME COURSES

Section 233 (b): The new language agreed upon by the committee is to prevent the Administrator from making a definition of "full-time apprentice training" which would conflict with a collective-bargaining agreement in full force and effect between employers and employees. It is the intent of the committee to avoid any interference with agreements between employers and employees arrived at through bona fide collective bargaining.

OVERCHARGES BY EDUCATIONAL INSTITUTIONS

SEC. 234: The committee changed the language in this section so as to avoid making it mandatory that the Administrator in every case must disapprove the enrollment of a veteran in an educational institution where he finds the institution has overcharged the veteran, because it was shown that in some cases the Administrator should be given discretion where there is evidence of an honest mistake without intent to defraud.

The other language stricken was a provision agreed to by the House which is designed to permit certain tax-supported public institutions which do not have established charges for tuition and fees for non-veteran residents, to charge and receive from each eligible resident veteran an amount to cover cost of teaching personnel and supplies not to exceed the rate of \$31 per month for a full-time course. The reason the committee eliminated this language was that it conflicted with the expressed policy of the bill as amended that allowances payable to the veteran for meeting in part the expenses of tuition and fees should not exceed charges for such tuition and fees levied against similarly circumstanced nonveteran residents. It was further pointed out that if the provision had been retained, the practical result would be to levy a charge against the resident veteran while no such charge was made of the nonveteran resident attending the same publicly supported institution.

However, Senators Smith, Ives, Nixon, and Lehman opposed the elimination of this provision and supported a provision designed to meet the exigencies of particular situations arising in the States of New York and California, where publicly supported institutions may not levy a tuition charge against resident students. These committee members urged that some payment be made by the Federal Government to these tax-supported institutions. They pointed out that the increased student load which would result from the enactment of this bill would place a great financial burden upon these tuition-free institutions and that no provision has been made to meet this increased cost.

STATE APPROVING AGENCIES

Section 241 (a): The new language of the committee amendment is to clarify this provision of the law having to do with the creation or designation of a State approving agency. The specified language was inserted because it was pointed out that in some States the designation of such agency is established by State law and in that event the chief executive would be without authority to create or designate the State approving agency.

Section 241 (b) (1): The elimination of the language "the chief executive" is to make this paragraph conform to the provisions of subsection (a) above. The elimination of the word "Commissioner" in subsection (b) (1) and the insertion of the word "Administrator" was because the committee felt that there should be no division of administrative responsibility and that since the Administrator of Veterans' Affairs is charged with the duty of administering the provisions of the legislation, he should be given the authority to act when no provision was made for such designation in the State law and the chief executive of a State fails or declines to act. The same reasoning was applied to the change in subsection (b) (2).

APPROVAL OF COURSES

Section 242 (a) and (b): The same reasoning applies to the change in these subsections as applies to sections (b) (1) and (b) (2) above.

USE OF OTHER FEDERAL AGENCIES

Section 244 (a) and (b): The language of these sections as approved by the House was designed to make sure that the Administrator would utilize the services of the Office of Education in specified instances where agreements had to be made between the Administrator and State and local agencies relating to the approval of courses of education and training and in implementing such agreements through the rendering of technical assistance to such State and local agencies. The language of subsection (b) as approved by the House provided allocation of funds to the Office of Education to enable it to carry out its functions under subsection (a). However, the committee decided to maintain a consistent policy of not dividing the responsibility of the Administrator by attempting to make it mandatory that he utilize the services of any other designated governmental agency. Nevertheless, the committee directed that language be placed in the report to express strongly the intent of the committee that the Administrator shall utilize to the fullest extent possible the services and facilities of the Office of Education, in all matters relating to approval of courses of education, cooperative agreements between the Administrator and State and local agencies and in rendering technical assistance to the State and local agencies in the development of educational policy standards and practices. The committee also emphasized that the Administrator shall make full use of the services and facilities of the Department of Labor with respect to problems arising out of apprenticeship and other on-the-job training.

ADVISORY COMMITTEE

Section 262: This committee amendment to include on the Advisory Committee representatives of education, labor, and management was in response to the suggestion that because of the importance of this legislation in the field of labor-management relations, eminent persons in these fields ought to be included in the membership of the committee. Furthermore, the Commissioner and the Secretary of Labor are made ex officio members of the Advisory Committee.

CONFLICTING INTERESTS

Section 264 (a): The officers and employees of the Office of Education are removed from the provisions of this section because, by amendments to sections 241, 242, and 244, any functions and responsibilities of the Office of Education have been eliminated. At the request of the Veterans' Administration, the committee approved the addition of a new subsection (d), which will permit the Administrator to waive in writing the application of the conflicting interests section where he finds that no detriment will result either to the United States or to the veterans. It was pointed out that the Administrator should have some discretion in cases where it would work a manifest injustice to impose arbitrarily the penalty provisions of this section.

REPORTS BY INSTITUTIONS

Section 265 (b): The committee approved the addition of a new subsection (b), whereby the Administrator must pay to each educational institution which is required to submit reports and certifications to the Administrator a uniform allowance to be determined by the Administrator for the purpose of assisting such educational institution in defraying the additional expense of preparing and submitting such reports and certifications. It was pointed out to the committee that every educational institution would necessarily incur additional administrative costs arising out of the keeping of separate records for veteran students and that it was obviously unfair to impose this obligation upon these institutions without some compensation.

CRIMINAL PENALTIES

Section 269: The committee eliminated the words "and forfeitures" in the title and that part of the section dealing with forfeitures because the following section (270) makes applicable the provisions of certain public laws which contain forfeiture provisions. Hence, it was determined that the forfeiture language of section 269 was surplusage. It was therefore stricken.

APPLICATION OF OTHER LAWS

Section 270: The committee added the new language to this section so as to make the forfeiture provisions of certain public laws applicable under this title. This statutory reference provides the basic authority for administrative forfeiture of benefits under many veterans laws where certain specified wrongful acts occurred.

APPROPRIATIONS

Section 274: At the request of the Veterans' Administration, the committee approved this new section which, in effect, makes available to the Veterans' Administration funds already appropriated so as to enable the Veterans' Administration promptly to put into effect and carry out the direct benefit payments authorized by this bill.

TITLE III—LOANS

PERSONS ELIGIBLE FOR LOANS

Section 301: The committee approved an amendment to strike the House-approved language of subsection (2) of this section and to insert new language in lieu thereof to provide that in the case of the veteran who is eligible for entitlement under this bill, any unused entitlement from his service prior to June 27, 1950, shall be canceled. The language further provides that his present entitlement under this bill shall be reduced by an amount equivalent to that for which the Government has incurred actual liability or loss, unless the resultant indebtedness has been paid in full by the veteran.

In no case, however, may the veteran become eligible for the full amount of new entitlement if he continues to own real property purchased under his old entitlement. The veteran will become eligible only for the difference, if any, between the amount of his old entitlement and his new entitlement under this bill.

The new language in subsection (3) of this section is merely corrective and not a substantive change.

STANDARDS OF PLANNING AND CONSTRUCTION

Section 304: Subsections (c) and (d) were deleted by the committee on the ground that extensive investigations and hearings by subcommittees of the House on these particular subjects should be completed before the provisions were enacted into law. Furthermore, the committee agreed that the subject matter of these sections properly came within the exclusive jurisdiction of the Senate Committee on Banking and Currency.

Section 307: This section was deleted by the committee for the same reasons given in the above paragraph.

OLD-AGE AND SURVIVORS INSURANCE (FORMERLY TITLE IV)

This whole title was stricken from the bill by the committee because all the provisions thereof are included in H. R. 7800 passed by the House and now pending in the Senate. The committee therefore felt that it should not take jurisdiction over the subject matter nor make any recommendations as to the merits of this particular legislation.

TITLE IV—MUSTERING-OUT PAYMENTS

Section 402 (b) (2): The committee approved an amendment suggested by the Department of Defense to clarify the meaning of this subsection. The Department pointed out that under the original language of the subsection the only persons who would be entitled

to mustering-out pay would be those retired or separated for physical disability because the word "separated" has been previously interpreted to include all types of discharges and releases from active duty. The new language removes this disability but will exclude from eligibility for mustering-out pay those persons recalled from a retired status, or transferred to the Fleet Reserve of the Navy or Marine Corps.

Section 402 (b) (8): The committee approved this amendment also suggested by the Department of Defense, the purpose of which is to limit mustering-out pay to those persons who are ordered to extended active duty for 60 days or more, as distinguished from active duty for training purposes. It was pointed out that the original provision might be construed to qualify for mustering-out payments a number of reservists who served on active duty for only brief periods, such as 14-day summer training periods or those who are recalled to active service for the purpose of being given a physical examination. Hence, it was agreed that the restrictive language of the amendment should be adopted as a safeguard.

Section 402 (c): The committee approved the addition of this new subsection suggested by the Department of Defense as necessary to prevent authorizing two mustering-out payments to one individual. The Department pointed out that the bill as drafted without the addition of this new language might permit certain persons to receive payments both under this bill and the Mustering-Out Payment Act of 1944 for the same period of active service, such as in the case of a person who enlisted for 4 years in February 1947 and was discharged in February 1951. The language of the new subsection, however, does not prohibit payment under the 1944 act and under the present bill for two separate periods of active service but would merely prohibit dual payments for the same discharge or release.

TITLE V—MISCELLANEOUS

JOB COUNSELING AND EMPLOYMENT PLACEMENT

Section 502: The committee approved this amendment to authorize veterans to purchase courses of education and training provided by the United States Armed Forces Institute under the same conditions, requirements, and fees as are applicable to persons in the active service.

Comparison of H. R. 7656 as reported by the Senate Committee on Labor and Public Welfare with H. R. 7656 as passed by the House, and with Public Law 346, 78th Cong., as amended (GI bill of rights)

EDUCATIONAL AND VOCATIONAL ASSISTANCE PROVISIONS

	H. R. 7656 as reported by Senate Committee on Labor and Public Welfare (1)	H. R. 7656 as passed by House of Representatives (2)	Public Law 346, 78th Cong., as amended (3)
Definitions:			
(1) Basic service period.....	Same as column (2).....	Period beginning June 27, 1950, and ending by Presidential proclamation or congressional concurrent resolution.....	NOTE.—No general definitions as such, equivalent statutory provisions are listed. September 16, 1950, to the termination of World War II (July 25, 1947, for all persons except certain enlistees under the Armed Forces Voluntary Recruitment Act of 1945). Similar except for differences in dates.
(2) Eligible veteran.....	do.....	Active service during basic service period; discharge or release other than dishonorable; 90 days' active service or disability discharge. Single or plural courses or subjects leading to predetermined objective.....	
(3) Program of education or training.....	do.....	Organized unit of subject matter.....	No statutory definition.
(4) Course.....	do.....	Child, dependent parent, wife, dependent husband.....	Term "dependents" undefined, but implementing regulations restrict it to wife, child, dependent parent.
(5) Dependent.....	do.....	Child, dependent parent, wife, dependent husband.....	Similar.
(6) Educational institution.....	do.....	All categories of schools, colleges, universities, etc.....	Do.
(7) Training establishment.....	do.....	Business or other establishment providing apprentice or other training on job.....	Not a key term of SRA, the act relates to "military or naval service."
(8) Armed Forces.....	do.....	Army, Navy, Air Force, Marine Corps, and Coast Guard.....	Similar provision applicable to SRA.
(9) State.....	do.....	All States, Territories, possessions, and the District of Columbia.....	
(10) Administrator.....	do.....	Administrator of Veterans' Affairs.....	Same provision applicable to SRA.
(11) Commissioner.....	do.....	United States Commissioner of Education.....	Not specifically involved in SRA.
(12) Secretary.....	Secretary of Labor.....	Initiation by Sept. 1, 1954, or 2 years after discharge, whichever later; completion 7 years after discharge or end of "emergency."	Initiation within 4 years of date of discharge, or termination of World War II, whichever is the later. No education or training may be afforded beyond 9 years after the termination of World War II. Continuity of training after initiation date (subject to excusable interruption) required by implementing regulation.
Time limits.....	Initiation by Aug. 1, 1954, or 2 years after discharge, whichever later; completion 7 years after discharge or end of "emergency." Requires continuous pursuit of program on and after last date for initiation subject to right of suspension for periods not exceeding 12 consecutive months, or longer, if approved by Administrator.....	Requires continuous pursuit of program on and after last date for initiation subject to right of suspension for periods not exceeding 12 consecutive months, or longer, if approved by Administrator.....	1 year plus the time spent in active military service up to 48 months. Similar to H. R. 7656 with respect to extension of entitlement to end of semester.
Entitlement.....	Same as column (2).....	1½ days for each day of service up to 36 months. Entitlement ending after major part of semester or quarter is extended to termination thereof.....	

Comparison of H. R. 7656 as reported by the Senate Committee on Labor and Public Welfare with H. R. 7656 as passed by the House, and with Public Law 346, 78th Cong., as amended (GI bill of rights)—Continued

EDUCATIONAL AND VOCATIONAL ASSISTANCE PROVISIONS—Continued

	H. R. 7656 as reported by Senate Committee on Labor and Public Welfare (1)	H. R. 7656 as passed by House of Representatives (2)	Public Law 346, 78th Cong., as amended (3)
Selection, application, and approval of program.	Veteran may select program leading toward predetermined objective at institution of choice. Must apply to Administrator who shall approve unless he finds veteran does not meet requirements of bill or is already qualified.	Veteran may select program leading toward predetermined objective at institution of choice, except no education furnished in foreign schools other than in the Philippines. Must apply to Administrator who shall approve unless he finds veteran does not meet requirements of bill or is already qualified.	Veteran may elect any course (not avocational or recreational) under the program, either full time or equivalent part time, at any approved institution which will accept him. No statutory requirements as to initial approval procedure.
Change of program	Same as column (2)	One change prior to initiation limit; one change after initiation limit if no prior change and subject to approval.	Changes of course authorized for reasons satisfactory to Administrator. Veteran who has completed or discontinued a course (for reasons other than unsatisfactory conduct or progress) may apply for additional courses, subject to authority of Administrator to apply regulatory restrictions (1) after the initiation date, or (2) after the veteran has already made one change from one "general field" of education or training to another field and desires to make additional changes to a different field.
Avocational and recreational courses.	do	Certain courses prohibited. Other listed recreational or avocational ones found to be pursued only on submission of justification.	Similar to H. R. 7656, except no outright prohibition of any particular course, and establishes a procedure of justification by affidavits in certain cases.
Minimum nonveteran enrollment.	At least 10 percent required	At least $\frac{1}{4}$ required with certain exceptions---	No mandatory requirement, but provides that schools operated for profit must meet prescribed standards during any period such schools have fewer than 25 students or $\frac{1}{4}$ of the students enrolled (whichever is larger) paying their own tuition.
Period of operation for approval	Course not approvable unless in operation for 1 year immediately prior to the enrollment of such veteran.	Course not approvable unless in operation for 2 years or more, subject to certain exceptions.	Contains 1-year operation requirement, with certain exceptions.
Institutions listed by Attorney General under E. O. 9835. Education and training allowance.	Same as column (2) Tuition and fees to be paid up to a maximum of \$360 for an academic year.	Enrollment or payment of allowance for any course in such an institution is barred. Administrator would pay veteran a "package" allowance covering his tuition, subsistence, and supplies, except that in certain cases only amount covering tuition and fees to be	No specific provision. No package allowance. Provides for payment of subsistence allowance to veterans, with tuition, fees, and other listed charges paid for the schools up to a maximum of \$500 for an

Schedule of rates: Full-time instruction.....	\$80, no dependents; \$105, 1 dependent; \$130, more than 1 dependent.	payable. No payments direct by the Government to institution.	ordinary school year, subject to right of veteran to elect to have charges paid in excess of \$500 limitation with acceleration of entitlement.
3/4-time instruction.....	\$60, no dependents; \$80, 1 dependent; \$100, more than 1 dependent.	\$110, no dependents; \$150, with dependents.....	(Rates indicated are for subsistence only.) \$75, no dependents; \$105, 1 dependent; \$120, 1 or more dependents.
1/4-time instruction.....	\$40, no dependents; \$50, 1 dependent; \$70, more than 1 dependent.	\$80, no dependents; \$110, with dependents.....	Pro rata of full-time rates from 1/4- to 3/4-time training.
Full-time program of education and training, consisting of institutional courses and on-the-job training.	\$75, no dependents. \$95, 1 dependent, \$115, more than 1 dependent.	\$50, no dependents; \$70, with dependents.....	Combination of institutional and on-job rates.
Apprentice or other on-job training.	\$70, no dependents, \$85, 1 dependent, \$105, more than 1 dependent.	\$90, no dependents, \$120, with dependents.....	
Institutional on-farm training. Correspondence courses, flight training, and courses of less than 1 1/2 time training.	Same as column (2)	\$70, no dependents, \$95, with dependents.....	\$65 per month, no dependents, \$90, per month, 1 or more dependents.
4 months' reduction formula.....	do	\$95, no dependents, \$120, with dependents.....	\$65, no dependents, \$90, 1 or more dependents. No subsistence for courses exclusively by correspondence; no special allowances for flight training. No subsistence for less than 1/4 time training (by regulation).
Income ceilings.....	Same as column (2) except \$225 if no dependents, \$275 with 1 dependent, and \$310 with more than 1 dependent.	Special provisions apply, gearing educational and training allowance to institutional charges only.	No predetermined reduction. Administrator authorized to pay such lesser sums as he may determine, in part-time cases and cases of persons receiving "compensation from productive labor."
Full-time courses.....	Same as column (2) provided that the Administrator shall not define full-time apprentice training for a particular establishment above that established as the standard workweek through bona fide collective bargaining between employers and employees.	Allowances for apprentice and other on-job training and institutional on-farm training subject to reduction for each 4 months as course progresses in accordance with mathematical formula.	Celling limitation on rate of allowance plus compensation received from productive labor based on the standard workweek, established at the following rates: No dependents, \$210 per month; 1 dependent, \$270 per month; 2 or more dependents, \$290 per month. Not limited to on-job cases and not limited to income received from productive labor as part of course.
Overcharges by institution.....	Administrator to disapprove institution if institution charges or receives in excess of established charges for non veterans.	On-job allowances subject to reduction when the allowances plus compensation paid to veteran for productive labor performed as part of course exceed \$225 per month if no dependents, \$300, with dependents.	Same provisions, except no statutory definition of undergraduate college course (defined generally by regulation as 12 semester hours).

No provision. VA pays customary or contractual charge direct to institution. Tuition paid to school.

Comparison of H. R. 7656 as reported by the Senate Committee on Labor and Public Welfare with H. R. 7656 as passed by the House, and with Public Law 346, 78th Cong., as amended (GI bill of rights)—Continued

EDUCATIONAL AND VOCATIONAL ASSISTANCE PROVISIONS—Continued

H. R. 7656 as reported by Senate Committee on Labor and Public Welfare	(1)	H. R. 7656 as passed by House of Representatives	Public Law 346, 78th Cong., as amended
	(2)		(3)
Approval of courses-----	Approval by State approving agencies and in certain instances by Administrator of Veterans' Affairs.	Approval by State approving agencies and in certain instances by Commissioner of Education.	Basically similar to H. R. 7656, except for supplemental approvals to be made by Administrator, rather than Commissioner.
Use of Federal agencies-----	Administrator may use services of other Federal agencies.	Administrator may use services of other Federal agencies. Bill directs utilization of service of Office of Education in certain particular cases.	Administrator may use services of other Federal agencies. No mandatory requirements with respect to any specific agency.
Payment for certain State expenses.	Same as column (2)-----	Administrator authorized to contract for payment to State and local agencies for necessary salary and travel expenses in ascertaining qualifications of institution and supervising same and furnishing other requested services.	Administrator authorized to reimburse State and local agencies for reasonable expenses incurred in ascertaining qualifications and supervision of industrial establishments and proprietary institutions, and furnishing other requested services.
Standards for approving courses-----	do-----	Provides detailed standards for on-the-job, on-farm, and all institutional courses (accreditation procedure employable in lieu of standards for certain established courses).	Contains standards for on-the-job and on-farm training which are similar to those in H. R. 7656, with the addition of standards for training on farm of another. Detailed standards for institutional courses are confined to proprietary profit schools, under certain conditions.
Disapproval of course and discontinuance of allowance.	do-----	State agency to disapprove course which fails to meet requirements. Administrator authorized to discontinue allowance to veteran if he finds that course fails to meet requirements or if institution has violated any provision.	Authority to Administrator to withhold benefits in on-job training and on-farm cases, when he finds they fail to meet standards. Administrator may withhold benefits in institutional cases only after finding by State approving agencies of failure to meet standards.
Regulations and review of payments by GAO.	do-----	Administrator authorized to issue necessary regulations. Review by GAO provided.	Administrator authorized to issue necessary regulations, subject to certain limitations added by Public Law 610, 81st Cong. Finality provisions of sec. 5, Public No. 2, 73d Cong., and sec. 11, of act of Oct. 17, 1940, are applicable.
Educational and vocational guidance.	do-----	Administrator authorized to provide such service and reimburse veteran for traveling expenses incident thereto where advisement is required by Administrator.	Administrator authorized to provide such service, but no authorization to reimburse veteran for traveling expenses.
Advisory committee-----	Administrator directed to form advisory committee composed of persons eminent in the respective fields of education, labor, and	Administrator directed to form advisory committee composed of educators and including Commissioner of Education, ex officio.	No specific requirement for advisory committee, but such a committee functions under general authority.

management, and representatives of institutions and establishments furnishing education and training to veterans. The Commissioner of Education and Secretary of Labor to be ex officio members of this advisory committee. Same as column (2).	Control by Federal agency prohibited.	Standard provision precluding Federal supervision or control of State agencies and institutions. Employees of VA, Office of Education, or State agency having pecuniary interest in profit institutions to be dismissed, courses disapproved by State if conflicting interests develop.	Same provisions.
Employees of VA or State agency having pecuniary interest in profit institutions to be dismissed, courses disapproved by State if conflicting interests develop. The Administrator authorized to waive in writing the application of this section in the case of officers or employees of the VA or of a State approving agency if he determines that no detriment will result to the United States or to eligible veterans by reason of such interest or connection of such officer of employee. Administrator to pay educational institutions required to submit reports and certificates an allowance for each full-time eligible veteran, or a pro rata part of each part-time eligible veteran, to assist in defraying the cost of preparing such reports. Amount to be determined by the Administrator, but to be uniform with respect to all educational institutions. Same as column (2).	Conflicts of interests.	No specific provisions.	No specific provisions.
Employees of VA or State agency having pecuniary interest in profit institutions to be dismissed, courses disapproved by State if conflicting interests develop. The Administrator authorized to waive in writing the application of this section in the case of officers or employees of the VA or of a State approving agency if he determines that no detriment will result to the United States or to eligible veterans by reason of such interest or connection of such officer of employee. Administrator to pay educational institutions required to submit reports and certificates an allowance for each full-time eligible veteran, or a pro rata part of each part-time eligible veteran, to assist in defraying the cost of preparing such reports. Amount to be determined by the Administrator, but to be uniform with respect to all educational institutions. Same as column (2).	Reports by institutions.	No specific provisions.	No specific provisions.
Employees of VA or State agency having pecuniary interest in profit institutions to be dismissed, courses disapproved by State if conflicting interests develop. The Administrator authorized to waive in writing the application of this section in the case of officers or employees of the VA or of a State approving agency if he determines that no detriment will result to the United States or to eligible veterans by reason of such interest or connection of such officer of employee. Administrator to pay educational institutions required to submit reports and certificates an allowance for each full-time eligible veteran, or a pro rata part of each part-time eligible veteran, to assist in defraying the cost of preparing such reports. Amount to be determined by the Administrator, but to be uniform with respect to all educational institutions. Same as column (2).	Recovery of overpayments.	Provides for recovery from institution of overpayment of allowance to veteran resulting from (1) willful or negligent failure of institution to report excessive absence, etc., or (2) false certification by institution. Administrator not to make payments to any person who has willfully submitted false or misleading claims.	Similar provisions.
Employees of VA or State agency having pecuniary interest in profit institutions to be dismissed, courses disapproved by State if conflicting interests develop. The Administrator authorized to waive in writing the application of this section in the case of officers or employees of the VA or of a State approving agency if he determines that no detriment will result to the United States or to eligible veterans by reason of such interest or connection of such officer of employee. Administrator to pay educational institutions required to submit reports and certificates an allowance for each full-time eligible veteran, or a pro rata part of each part-time eligible veteran, to assist in defraying the cost of preparing such reports. Amount to be determined by the Administrator, but to be uniform with respect to all educational institutions. Same as column (2).	False or misleading statements.	Person who knowingly and willfully makes false statement or commits certain other defined acts to forfeit all rights and benefits under the program and under Public, No. 2, 73d Cong., as amended, and upon conviction could be fined up to \$500 or imprisoned up to 6 months or both. Person violating such provisions who is not affected by forfeiture could be fined up to \$5,000 or imprisoned up to 3 years or both.	No specific provisions in act. The criminal penalties generally applicable to other veterans' benefit programs apply. The forfeiture provisions of Public, No. 2, 73d Cong., as amended, are made applicable and the over-all effect is somewhat broader than under either of the bills.
Employees of VA or State agency having pecuniary interest in profit institutions to be dismissed, courses disapproved by State if conflicting interests develop. The Administrator authorized to waive in writing the application of this section in the case of officers or employees of the VA or of a State approving agency if he determines that no detriment will result to the United States or to eligible veterans by reason of such interest or connection of such officer of employee. Administrator to pay educational institutions required to submit reports and certificates an allowance for each full-time eligible veteran, or a pro rata part of each part-time eligible veteran, to assist in defraying the cost of preparing such reports. Amount to be determined by the Administrator, but to be uniform with respect to all educational institutions. Same as column (2).	Criminal penalties and forfeitures.	Contains standard provision for waiving recovery of overpayments of training allowance where Administrator find that the person is not at fault and recovery would defeat purpose of benefits otherwise authorized or would be against equity and good conscience.	The same provision is applicable by reference to Public, No. 2, system of which present program is a part.
Employees of VA or State agency having pecuniary interest in profit institutions to be dismissed, courses disapproved by State if conflicting interests develop. The Administrator authorized to waive in writing the application of this section in the case of officers or employees of the VA or of a State approving agency if he determines that no detriment will result to the United States or to eligible veterans by reason of such interest or connection of such officer of employee. Administrator to pay educational institutions required to submit reports and certificates an allowance for each full-time eligible veteran, or a pro rata part of each part-time eligible veteran, to assist in defraying the cost of preparing such reports. Amount to be determined by the Administrator, but to be uniform with respect to all educational institutions. Same as column (2).	Waiver of overpayments.		

Comparison of H. R. 7656 as reported by the Senate Committee on Labor and Public Welfare with H. R. 7656 as passed by the House, and with Public Law 346, 78th Cong., as amended (GI bill of rights)—Continued

EDUCATIONAL AND VOCATIONAL ASSISTANCE PROVISIONS—Continued

	H. R. 7656 as reported by Senate Committee on Labor and Public Welfare (1)	H. R. 7656 as passed by House of Representatives (2)	Public Law 346, 78th Cong., as amended (3)
Federal Trade Commission.....	Same as column (2).....	Required to keep State agencies advised of information available to FTC which might be of assistance to State agencies in carrying out their duties.	No provision.
Veterans' Education Appeals Board.	do.....	No provisions, as payments to institutions not involved under the bill.	Authorized to hear appeals from institutions dissatisfied by decisions of the Administrator as to customary cost of tuition and other actions taken under Veterans' Education and Training Amendments of 1950.
Effective date of educational and training provisions.	Effective on enactment but no education and training allowances payable for period prior to Aug. 1, 1952.	Effective on enactment but no education and training allowances payable for period prior to Sept. 1, 1952.	June 22, 1944.

LOAN ASSISTANCE

Service group and nature of benefit.	Same as column (2).....	Extends title III of SRA (guaranty and insurance of home, farm, and business loans, and direct home loans in certain cases) to veterans of service on or after June 27, 1950, and prior to a date to be determined.	Same, but applicable to World War II group. These title III loan-assistance benefits are now provided for those who served on or after Sept. 16, 1940, and prior to July 26, 1947.
Additional amendments to present law.	Makes certain other amendments to title III of SRA, including (1) specific authority to require advance approval of certain loans notwithstanding automatic guaranty provision; (2) requirements that new home construction meet minimum standards for planning and general acceptability as well as construction standards.	Makes certain other amendments to title III of SRA, including (1) specific authority to require advance approval of certain loans notwithstanding automatic guaranty provision; (2) requirements that new home construction meet minimum standards for planning and general acceptability as well as construction standards; (3) construction warranty to veteran purchaser for initial occupancy; (4) authority to refuse appraisal of housing handled by persons with poor record as to dealings with veteran purchaser; and (5) authority to exclude from future loan guaranties lenders with record of dealings detrimental to veteran or Government.	As indicated proposed amendments in H. R. 7656 would amend existing title III of Servicemen's Readjustment Act and would apply prospectively to the World War II group as well as the new service group.

SOCIAL SECURITY BENEFITS

Old-age and survivors insurance.....	Contained in H. R. 7800.	Gives \$160 credit for each month spent in the service on or after June 27, 1950, and prior to a date to be determined.	Same as applicable to World War II group. (Not provided in Public Law 346, 78th Cong.)
MUSTERING-OUT PAYMENTS			
Mustering-out payments.....	Same as column (2)	Grants \$100 for veterans serving less than 60 days, \$200 for veterans serving more than 60 days, and \$300 for veterans serving more than 60 days and with service overseas. Includes up to and including the rank of captain in the Army and Air Force and lieutenant, senior grade, in the Navy.	Identical to World War II coverage. (Not provided in Public Law 346, 78th Cong.)
JOB ASSISTANCE			
Employment benefits.....	Same as column (2)	Grants preference in employment based on service on or after June 27, 1950, and prior to a date to be determined.	Identical to World War II coverage.

Calendar No. 1754

82D CONGRESS
2D SESSION

H. R. 7656

[Report No. 1824]

IN THE SENATE OF THE UNITED STATES

JUNE 6 (legislative day, JUNE 5), 1952

Read twice and referred to the Committee on Labor and Public Welfare

JUNE 25 (legislative day, JUNE 21), 1952

Reported by Mr. HILL, with amendments

[Omit the part struck through and insert the part printed in *italic*]

AN ACT

To provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 TITLE I—SHORT TITLE AND STATEMENT OF
4 POLICY

5 SHORT TITLE

6 SEC. 101. This Act may be cited as the "Veterans' Re-
7 adjustment Assistance Act of 1952".

1 STATEMENT OF POLICY

2 SEC. 102. The Congress of the United States hereby
3 declares that the veterans' education and training program
4 created by this Act is for the purpose of providing vocational
5 readjustment and restoring lost educational opportunities to
6 those service men and women whose educational or voca-
7 tional ambitions have been interrupted or impeded by reason
8 of active service in the Armed Forces during a period of
9 national emergency and for the purpose of aiding such per-
10 sons in attaining the educational and training status which
11 they might normally have aspired to and obtained had they
12 not served their country; and that the home, farm, and
13 business-loan benefits, ~~the old-age and survivors insurance~~
14 ~~credits,~~ the mustering out payments, and the employment
15 assistance provided for by this Act are for the purpose of
16 assisting in the readjustment of such persons from military
17 to civilian life.

18 TITLE II—EDUCATIONAL AND VOCATIONAL
19 ASSISTANCE

20 PART I—DEFINITIONS

21 SEC. 201. For the purposes of this title—

22 (1) the term "basic service period" means the period
23 beginning on June 27, 1950, and ending on such date as
24 shall be determined by Presidential proclamation or concur-
25 rent resolution of the Congress;

1 (2) the term “eligible veteran” means any person
2 who is not in the active service in the Armed Forces and
3 who—

4 (A) has served in the active service in the Armed
5 Forces at any time during the basic service period,

6 (B) has been discharged or released from such
7 active service under conditions other than dishonorable,
8 and

9 (C) has served in the active service in the Armed
10 Forces for ninety days or more (exclusive of any period
11 he was assigned by the Armed Forces to a civilian
12 institution for a course of education or training which
13 was substantially the same as established courses offered
14 to civilians, or as a cadet or midshipman at one of the
15 service academies), or has been discharged or released
16 from active service by reason of an actual service-in-
17 curred injury or disability;

18 (3) the term “program of education or training” means
19 any single unit course or subject, any curriculum, or any
20 combination of unit courses or subjects, which is generally
21 accepted as necessary to fulfill requirements for the attain-
22 ment of a predetermined and identified educational, profes-
23 sional, or vocational objective;

24 (4) the term “course” means an organized unit of sub-
25 ject matter in which instruction is offered within a given

1 period of time or which covers a specific amount of re-
2 lated subject matter for which credit toward graduation or
3 certification is usually given;

4 (5) the term "dependent" means—

5 (A) a child (as defined in paragraph VI of Vet-
6 erans Regulation Numbered 10, as amended) of an
7 eligible veteran,

8 (B) a parent (as defined in paragraph VII of Vet-
9 erans Regulation Numbered 10, as amended) of an
10 eligible veteran, if the parent is in fact dependent upon
11 the veteran, and

12 (C) the wife of an eligible veteran, or, in the case
13 of an eligible veteran who is a woman, her husband if
14 he is in fact dependent upon the veteran;

15 (6) the term "educational institution" means any pub-
16 lic or private elementary school, secondary school, vocational
17 school, correspondence school, business school, junior college,
18 teachers college, college, normal school, professional school,
19 university, scientific or technical institution, or other institu-
20 tion furnishing education for adults;

21 (7) the term "training establishment" means any busi-
22 ness or other establishment providing apprentice or other
23 training on the job, including those under the supervision
24 of a college or university or any State department of edu-
25 cation, or any State apprenticeship agency, or any State

1 board of vocational education, or any apprentice council
 2 *joint apprentice committee*, or the Bureau of Apprenticeship
 3 established in accordance with Public Law 308, Seventy-
 4 fifth Congress, or any agency of the Federal Government
 5 authorized to supervise such training;

6 (8) the term "Armed Forces" means the Army, the
 7 Navy, the Air Force, the Marine Corps, and the Coast Guard
 8 of the United States;

9 (9) the term "State" means the several States, the
 10 Territories and possessions of the United States, and the
 11 District of Columbia;

12 (10) the term "Administrator" means the Adminis-
 13 trator of Veterans' Affairs; and

14 (11) the term "Commissioner" means the United
 15 States Commissioner of ~~Education~~ *Education*; and

16 (12) the term "Secretary" means the Secretary of
 17 Labor of the United States Department of Labor.

18 PART II—ELIGIBILITY

19 ENTITLEMENT TO EDUCATION OR TRAINING GENERALLY

20 SEC. 211. Each eligible veteran shall, subject to the
 21 provisions of this title, be entitled to the education or train-
 22 ing provided under this title.

23 COMMENCEMENT; TIME LIMITATIONS

24 SEC. 212. (a) No eligible veteran shall be entitled to
 25 initiate a program of education or training under this title

1 after ~~September~~ *August* 1, 1954, or after two years after
2 his discharge or release from active service, whichever is
3 later.

4 (b) The program of education and training of an eligible
5 veteran under this title shall, on and after the delimiting
6 date for the veteran to initiate his program, be pursued con-
7 tinuously until completion except that an eligible veteran
8 may suspend the pursuit of his program for periods of not
9 more than 12 consecutive months, and may suspend the
10 pursuit of such program for longer periods if the Adminis-
11 trator finds that the suspension for each such period was
12 due to conditions beyond the control of the eligible veteran.

13 (c) In the event an eligible veteran returns to active
14 service in the Armed Forces during the basic service period,
15 his date of discharge or release shall, for the purposes of
16 this section and section 213, be the date of his discharge or
17 release from his last period of active service which began
18 during the basic service period.

19 EXPIRATION OF ALL EDUCATION AND TRAINING

20 SEC. 213. No education or training shall be afforded an
21 eligible veteran under this title beyond seven years after
22 either his discharge or release from active service or the end
23 of the basic service period, whichever is earlier,

1 DURATION OF VETERAN'S EDUCATION OR TRAINING

2 SEC. 214. (a) Each eligible veteran shall be entitled to
3 education or training under this title for a period equal
4 to one and a half times the duration of his active service in
5 the Armed Forces during the basic service period (or to
6 the equivalent thereof in part-time training), except that—

7 (1) in computing the duration of his active service
8 in the Armed Forces, there shall be excluded a period
9 equal to any period he was assigned by the Armed
10 Forces to a civilian institution for a course of education
11 or training which was substantially the same as estab-
12 lished courses offered to civilians or as a cadet or mid-
13 shipman at one of the service academies;

14 (2) the period of education or training to which an
15 eligible veteran shall be entitled under this title shall not,
16 except as provided in subsection (b), exceed thirty-six
17 months; and

18 (3) the period of education or training to which an
19 eligible veteran shall be entitled under this title together
20 with education or training received under part VII
21 (Public Law 16, Seventy-eighth Congress, as amended,
22 and Public Law 894, Eighty-first Congress, as
23 amended), or part VIII of Veterans Regulation Num-

bered 1 (a), as amended, shall not, except as provided
in subsection (b), exceed forty-eight months in the
aggregate.

(b) Whenever the period of entitlement to education
or training under this title of an eligible veteran who is
enrolled in an educational institution regularly operated on
the quarter or semester system ends during a quarter or
semester and after a major part of such semester or quarter
has expired, such period shall be extended to the termination
of such unexpired quarter or semester. In all other courses
offered by educational institutions, whenever the period of
eligibility ends after a major portion of the course is com-
pleted such period may be extended to the end of the course
or for nine weeks, whichever is the lesser period.

(c) In the case of any eligible veteran who is pursuing
any program of education or training exclusively by cor-
respondence, one-fourth of the elapsed time in following such
program of education or training shall be charged against
the veteran's period of entitlement.

PART III—ENROLLMENT

SELECTION OF PROGRAM

SEC. 221. Subject to the provisions of this title, each
eligible veteran may select a program of education or train-
ing to assist him in attaining an educational, professional, or
vocational objective at any educational institution or training

1 establishment selected by him, whether or not located in the
2 State in which he resides, which will accept and retain him
3 as a student or trainee in any field or branch of knowledge
4 which such institution or establishment finds him qualified
5 to undertake or pursue. In no event, however, may an
6 eligible veteran pursue a program of education or training
7 under this title at an educational institution or training
8 establishment which is not located in a State, except that
9 the Administrator may approve the pursuit of a program of
10 education or training in the Republic of the Philippines at an
11 approved educational institution or training establishment.

12 APPLICATIONS; APPROVAL

13 SEC. 222. Any eligible veteran who desires to initiate
14 a program of education or training under this title shall
15 submit an application to the Administrator which shall be
16 in such form, and contain such information, as the Adminis-
17 trator shall prescribe. The Administrator shall approve such
18 application unless he finds that such veteran is not eligible
19 for or entitled to the education or training applied for or
20 that his program of education or training fails to meet
21 any of the requirements of this title, or that the eligible vet-
22 eran is already qualified, by reason of previous education and
23 or training, for the educational, professional, or vocational
24 objective for which the courses of the program of education

1 or training are offered. The Administrator shall notify the
2 eligible veteran of the approval or disapproval of his ap-
3 plication.

4 CHANGE OF PROGRAM

5 SEC. 223. (a) Subject to the provisions of section 222,
6 each eligible veteran may, *unless his program had been inter-*
7 *rupted or discontinued due to his own misconduct, his own*
8 *neglect, or his own lack of application*, at any time prior to
9 the end of the period during which he is entitled to initiate
10 a program of education or training under this title, make not
11 more than one change of program of education or training.

12 (b) Each eligible veteran, who has not made a change
13 of program of education or training before the expiration of
14 the period during which he is entitled to initiate a program
15 of education or training under this title, may make not more
16 than one change of program of education or training with
17 the approval of the Administrator. The Administrator shall
18 approve such a change if he finds that—

19 (1) the eligible veteran is not making satisfactory
20 progress in his present program and that the failure is
21 not due to his own misconduct, his own neglect, or his
22 own lack of application, and if the program to which the
23 eligible veteran desires to change is more in keeping
24 with his aptitude or previous education and training; or

25 (2) the program to which the eligible veteran

desires to change, while not a part of the program currently pursued by him, is a normal progression from such program.

AVOCATIONAL AND RECREATIONAL COURSES

SEC. 224. (a) The Administrator shall not approve the enrollment of an eligible veteran in any bartending course, dancing course, or personality development course.

(b) The Administrator shall not approve the enrollment of an eligible veteran—

(1) in any photography ~~course~~, *course or* entertainment course, ~~or any flight training course pursued as a hobby or which the Administrator finds to be avocational or recreational in character~~, or

(2) in any music course—instrumental or vocal—public speaking course, or course in sports or athletics such as horseback riding, swimming, fishing, skiing, golf, baseball, tennis, bowling, sports officiating, or other sport or athletic courses, except courses of applied music, physical education, or public speaking which are offered by institutions of higher learning for credit as an integral part of a program leading to an educational objective, or

(3) in any other type of course which the Administrator finds to be avocational or recreational in character;

unless the eligible veteran submits justification showing that

1 the course will be of bona fide use in the pursuit of his present
2 or contemplated business or occupation.

3 DISCONTINUANCE FOR UNSATISFACTORY PROGRESS

4 SEC. 225. The Administrator shall discontinue the edu-
5 cation and training allowance of an eligible veteran if, at
6 any time, he finds that, according to the regularly prescribed
7 standards and practices of the educational institution or
8 training establishment, the conduct or progress of such
9 veteran is unsatisfactory.

10 MINIMUM NUMBER OF NONVETERAN STUDENTS REQUIRED

11 SEC. 226. The Administrator shall not approve the
12 enrollment of any eligible veteran, not already enrolled, in
13 any nonaccredited course below the college level offered by
14 a proprietary profit or proprietary nonprofit educational
15 institution for any period during which the Administrator
16 finds that more than ~~three-fourths~~ *ninety per centum* of
17 the students enrolled in the course are having all or any
18 part of their tuition, fees, or other charges paid to or for
19 them by the educational institution or the Veterans' Admin-
20 istration under part VII or part VIII of Veterans Regula-
21 tion Numbered 1 (a) or this title.

22 PERIOD OF OPERATION FOR APPROVAL

23 SEC. 227. (a) The Administrator shall not approve the
24 enrollment of an eligible veteran in any course offered by
25 an educational institution when such course has been in

1 operation for less than ~~two years~~ *one year immediately prior*
2 *to the enrollment of such veteran.*

3 (b) Subsection (a) shall not apply to—

4 (1) any course to be pursued in a public or other
5 tax-supported educational institution;

6 (2) any course which is offered by an educational
7 institution which has been in operation for more than
8 ~~two years~~ *one year*, if such course is similar in character
9 to the instruction previously given by such institution;
10 or

11 (3) any course which has been offered by an in-
12 stitution for a period of more than ~~two years~~ *one year*,
13 notwithstanding the institution has moved to another
14 location within the same general locality.

15 INSTITUTIONS LISTED BY ATTORNEY GENERAL

16 SEC. 228. The Administrator shall not approve the
17 enrollment of, or payment of an education and training
18 allowance to, any eligible veteran in any course in an edu-
19 cational institution or training establishment while it is listed
20 by the Attorney General under section 3 of part III of
21 Executive Order 9835, as amended.

22 PART IV—PAYMENTS TO VETERANS

23 EDUCATION AND TRAINING ALLOWANCE

24 SEC. 231. (a) The Administrator shall pay to each
25 eligible veteran who is pursuing a program of education or

1 training under this title, and who applies therefor, an educa-
2 tion and training allowance to meet in part the expenses of
3 his subsistence, tuition, fees, supplies, books, and equipment
4 his program of education or training.

5 (b) The education and training allowance for an eligible
6 veteran shall be paid, as provided in section 232, only for
7 the period of the veteran's enrollment as approved by the
8 Administrator, but no allowance shall be paid—

9 (1) to any veteran enrolled in a course approved
10 under section 253 or a course of institutional on-farm
11 training for any period when the veteran is not pursuing
12 his course in accordance with the regularly established
13 policies and regulations of the institution and the require-
14 ments of this title,

15 (2) to any veteran enrolled in a course approved
16 under section 254 or in a course of apprentice or other
17 training on the job for any day of absence in excess
18 of thirty days in a twelve-month period, not counting
19 as absences weekends or legal holidays established by
20 Federal or State law during which the institution or
21 establishment is not regularly in session or operation,
22 or

23 (3) to any veteran pursuing his program of edu-
24 cation exclusively by correspondence for any period
25 during which no lessons were serviced by the institution.

1 (c) No education and training allowance shall be paid
2 to an eligible veteran for any period until the Administrator
3 shall have received—

4 (1) from the eligible veteran (A) in the case of
5 an eligible veteran enrolled in a course approved under
6 section 253 or a course of institutional on-farm training,
7 a certification that he was actually enrolled in and
8 pursuing the course as approved by the Administrator,
9 or (B) in the case of an eligible veteran enrolled in a
10 course approved under section 254 or a course of ap-
11 prentice or other training on the job, a certification
12 as to actual attendance during such period, or (C) in
13 the case of an eligible veteran enrolled in a program
14 of education or training by correspondence, a certifica-
15 tion as to the number of lessons actually completed by
16 the veteran and serviced by the institution, and

17 (2) from the educational institution or training
18 establishment, a certification, or an endorsement on the
19 veteran's certificate, that such veteran was enrolled
20 in and pursuing a course of education or training during
21 such period, and, in the case of an institution furnishing
22 education or training to a veteran exclusively by corre-
23 spondence, a certification, or an endorsement on the vet-
24 eran's certificate, as to the number of lessons completed
25 by the veteran and serviced by the institution.

1 Education and training allowances shall, insofar as practi-
 2 cable, be paid within twenty days after receipt by the
 3 Administrator of the certifications required by this sub-
 4 section.

5 COMPUTATION OF EDUCATION AND TRAINING ALLOWANCES

6 SEC. 232. (a) The *basic* education and training allow-
 7 ance *to meet in part the expenses of subsistence, supplies,*
 8 *books, and equipment* of an eligible veteran who is pursuing
 9 a program of education or training in an educational institu-
 10 tion and is not entitled to receive an education and training
 11 allowance under subsection (b), (c), (d), (e), or (f) shall
 12 be computed as follows:

13 (1) If such program is pursued on a full-time basis,
 14 such allowance shall be computed at the rate of ~~\$110~~
 15 ~~\$80~~ per month, if the veteran has no dependent, or at
 16 the rate of ~~\$150~~ ~~\$105~~ per month, if he has one ~~or~~
 17 ~~more dependents~~ *dependent*, or at the rate of ~~\$130~~
 18 *per month, if he has more than one dependent.*

19 (2) If such program is pursued on a three-quarters
 20 time basis, such allowance shall be computed at the
 21 rate of ~~\$80~~ ~~\$60~~ per month, if the veteran has no de-
 22 ~~pendent~~, or at the rate of ~~\$110~~ ~~\$80~~ per month, if he has
 23 one ~~or more dependents~~ *dependent*, or at the rate of
 24 ~~\$100~~ *per month, if he has more than one dependent.*

25 (3) If such program is pursued on a half-time basis,

such allowance shall be computed at the rate of ~~\$50~~ \$40 per month, if the veteran has no dependent, or at the rate of ~~\$70~~ \$50 per month, if he has one ~~or more de-~~pendents dependent, or at the rate of \$70 per month, if he has more than one dependent.

(b) The basic education and training allowance to meet in part the expenses of subsistence, supplies, books, and equipment of an eligible veteran who is pursuing a full-time program of education and training which consists of institutional courses and on-the-job training, with the on-the-job training portion of the program being strictly supplemental to the institutional portion, shall be computed at the rate of (1) ~~\$90~~ \$75 per month, if he has no dependent, or (2) ~~\$120~~ \$95 per month, if he has one ~~or more de-~~pendents dependent, or (3) \$115 per month, if he has more than one dependent.

(c) The education and training allowance of an eligible veteran pursuing apprentice or other training on the job shall be computed at the rate of (1) \$70 per month, if he has no dependent, or (2) ~~\$95~~ \$85 per month, if he has one ~~or more de-~~pendents dependent, or (3) \$105 per month, if he has more than one dependent; except that his education and training allowance shall be reduced at the end of each four-month period as his program progresses by an amount which bears the same ratio to the basic education and train-

ing allowance as four months bears to the total duration of his apprentice or other training on the job; but in no case shall the Administrator pay an education and training allowance under this subsection in an amount which, when added to the compensation to be paid to the veteran, in accordance with his approved training program, for productive labor performed as a part of his course, would exceed the rate of (1) \$225 per month, if he has no dependent, or (2) \$300 \$275 per month, if he has one ~~or more dependents~~ *dependent*, or (3) \$310 per month, if he has more than one *dependent*. For the purpose of computing allowances under this subsection, the duration of the training of an eligible veteran shall be the period specified in the approved application as the period during which he may receive an education and training allowance for such training, plus such additional period, if any, as is necessary to make the number of months of such training a multiple of four.

(d) The *basic* education and training allowance to meet in part the expenses of subsistence, supplies, books, and equipment of an eligible veteran pursuing institutional on-farm training shall be computed at the rate of (1) \$95 \$70 per month, if he has no dependent, or (2) \$120 \$85 per month, if he has one ~~or more dependents~~ *dependent*, or (3) \$105 per month, if he has more than one *dependent*; except that his *basic* education and train-

1 ing allowance shall be reduced at the end of each four-
 2 month period as his program progresses by an amount which
 3 bears the same ratio to \$65 per month, if the veteran has no
 4 dependent, or ~~\$90~~ \$80 per month, if he has one ~~or more~~
 5 ~~dependents~~ *dependent*, or \$100 per month, if he has more
 6 *than one dependent*, as four months bears to the total dura-
 7 tion of such veteran's institutional on-farm training. For
 8 the purpose of computing allowances under this subsection,
 9 the duration of the training of an eligible veteran shall be
 10 the period specified in the approved application as the period
 11 during which he may receive an education and training allow-
 12 ance for such training, plus such additional period, if any,
 13 as is necessary to make the number of such months of such
 14 training a multiple of four.

15 (e) The education and training allowance of an eligible
 16 veteran pursuing a program of education or training ex-
 17 clusively by correspondence shall be computed on the basis
 18 of the established charge which the institution requires
 19 nonveterans to pay for the course or courses pursued by the
 20 eligible veteran. Such allowance shall be paid quarterly
 21 on a pro rata basis for the lessons completed by the veteran
 22 and serviced by the institution, as certified by the institution.

23 (f) The education and training allowance of an eligible
 24 veteran who is pursuing a program of education or training
 25 under this title in an educational institution on a less-than-

1 half-time basis shall be computed at the rate of (1) the
2 established charges for tuition and fees which the institution
3 requires similarly circumstanced nonveterans enrolled in the
4 same course to pay, or (2) \$110 per month for a full-time
5 course, whichever is the lesser.

6 (g) Each eligible veteran who is pursuing an approved
7 course of flight training shall be paid an education and
8 training allowance to be computed at the rate of 75 per
9 centum of the established charge which similarly circum-
10 stanced nonveterans enrolled in the same flight course are
11 required to pay for tuition for the course. If such veteran's
12 program of education or training consists exclusively of flight
13 training, he shall not be paid an education and training allow-
14 ance under ~~one of the preceding subsections~~ *any other sub-*
15 *section* of this section; if his program of education or training
16 consists of flight training and other education or training,
17 the allowance payable under this subsection shall be in addi-
18 tion to any education and training allowance payable to him
19 under ~~one of the preceding~~ *the applicable* subsections of this
20 section for education or training other than flight training.
21 Such allowance shall be paid monthly upon receipt of certifi-
22 cation from the eligible veteran and the institution as to the
23 actual flight training received by the veteran. In each such
24 case the eligible veteran's period of entitlement shall be
25 charged (in addition to any charge made against his entitle-

1 ment by reason of education or training other than flight
2 training) with one day for each \$1.25 which is paid to the
3 veteran as an education and training allowance for such
4 course.

5 (h) In addition to the basic education and training
6 allowances to meet in part the expenses of subsistence, sup-
7 plies, books, and equipment, there shall be paid to each
8 eligible veteran pursuing a course of education or training
9 who is entitled to a basic education and training allowance
10 under subsection (a), (b), or (d) an additional education
11 and training allowance to meet in part the cost of his tuition
12 and fees. Such additional education and training allowance
13 shall be paid monthly on a pro-rata basis of the total amount
14 of the established charges for tuition and fees for the course
15 which a nonveteran student similarly circumstanced is re-
16 quired to pay as and for tuition and fees for the course,
17 except that in no case shall such additional education and
18 training allowance exceed the rate of \$40 a month for a
19 full-time program or the pro-rata part thereof for a part-time
20 program. The additional education and training allowance
21 provided by this subsection shall be computed on the basis
22 of the tuition and fees which are required to be paid by
23 nonveteran students similarly circumstanced and shall not
24 include optional fees, charges for board, lodging, living ex-

1 *penses, or travel, deposits, or fees assessed to cover the cost*
2 *of supplies, books, or equipment.*

3 ~~(h)~~ (i) No eligible veteran shall be paid an education
4 and training allowance under this title for any period during
5 which (1) he is enrolled in and pursuing a course of educa-
6 tion or training paid for by the United States under any
7 provision of law other than this title, where the payment of
8 such allowance would constitute a duplication of benefits paid
9 to the veteran from the Federal Treasury, or (2) he is pursu-
10 ing a course of apprentice or other training on the job, a
11 course of institutional on-farm training, or a course of educa-
12 tion and training described in subsection (b), on a less than
13 full-time basis.

14 FULL-TIME COURSES

15 SEC. 233. (a) For the purposes of this title, (1) an
16 institutional trade or technical course offered on a clock-hour
17 basis below the college level involving shop practice as an
18 integral part thereof, shall be considered a full-time course
19 when a minimum of thirty hours per week of attendance
20 is required with not more than two and one-half hours of
21 rest periods per week allowed, (2) an institutional course
22 offered on a clock-hour basis below the college level in which
23 theoretical or class room instruction predominates shall be
24 considered a full-time course when a minimum of twenty-five
25 hours per week net of instruction is required, and (3) an

1 institutional undergraduate course offered by a college or
2 university on a quarter or semester-hour basis for which
3 credit is granted toward a standard college degree shall be
4 considered a full-time course when a minimum of fourteen
5 semester hours or its equivalent is required.

6 (b) The Administrator shall define full-time training in
7 the case of all types of courses of education or training other
8 than institutional on-farm training and the types of courses
9 referred to in subsection (a) : *Provided, That the Adminis-*
10 *trator shall not define full-time apprentice training for a*
11 *particular establishment above that established as the standard*
12 *work-week through bona-fide collective bargaining between*
13 *employers and employees.*

14 OVERCHARGES BY EDUCATIONAL INSTITUTIONS

15 SEC. 234. The Administrator shall ~~may~~, if he finds that
16 an institution has charged or received from any eligible vet-
17 eran any amount in excess of the established charges for
18 tuition and fees which the institution requires similarly cir-
19 cumstanced nonveterans enrolled in the same course to pay,
20 disapprove such educational institution for the enrollment
21 of any veteran not already enrolled therein, ~~except that, in~~
22 ~~the case of a tax-supported public educational institution~~
23 ~~which does not have established charges for tuition and~~
24 ~~fees which it requires nonveteran residents to pay, such~~
25 ~~institution may charge and receive from each eligible vet-~~

1 eran who is a resident an amount equal to the estimated
 2 cost of teaching personnel and supplies for instruction attri-
 3 butable to such veteran, but in no event to exceed the rate
 4 of \$31 per month for a full-time course.

5 PART V—STATE APPROVING AGENCIES

6 DESIGNATION

7 SEC. 241. (a) *The Unless otherwise established by the*
 8 *law of the State concerned, the* chief executive of each State
 9 is requested to create or designate a State department or
 10 agency as the "State approving agency" for his State for the
 11 purposes of this title.

12 (b) (1) In the event the chief executive of any State
 13 fails or declines to create or designate a State approving
 14 agency, the provisions of this title which refer to the State
 15 approving agency shall, with respect to such State, be
 16 deemed to refer to the ~~Commissioner~~ *Administrator*.

17 (2) In the case of courses subject to approval by the
 18 ~~Commissioner~~ *Administrator* under section 242, the pro-
 19 visions of this title which refer to a State approving agency
 20 shall be deemed to refer to the ~~Commissioner~~ *Administrator*.

21 APPROVAL OF COURSES

22 SEC. 242. (a) An eligible veteran shall receive the
 23 benefits of this title while enrolled in a course of education
 24 or training offered by an educational institution or training
 25 establishment only if such course is approved by the State

1 approving agency for the State where such educational
 2 institution or training establishment is situated or by the
 3 ~~Commissioner~~ *Administrator*. Approval of courses by State
 4 approving agencies shall be in accordance with the provisions
 5 of this title and such other regulations and policies as the
 6 State approving agency may adopt. Each State approving
 7 agency shall furnish the Administrator with a current list
 8 of educational institutions and training establishments,
 9 specifying courses which it has approved, and, in addition
 10 to such list, it shall furnish such other information to the
 11 Administrator as it and the Administrator may determine
 12 to be necessary to carry out the purposes of this title. Each
 13 State approving agency shall notify the Administrator of
 14 the disapproval of any course previously approved and shall
 15 set forth the reasons for such disapproval.

16 (b) The ~~Commissioner~~ *Administrator* shall be respon-
 17 sible for the approval of courses of education or training
 18 offered by any agency of the Federal Government author-
 19 ized under other laws to supervise such education or train-
 20 ing. The ~~Commissioner~~ *Administrator* may approve any
 21 course in any other educational institution or training estab-
 22 lishment in accordance with the provisions of this title.

23 COOPERATION

24 SEC. 243. (a) The Administrator and each State ap-

1 proving agency shall take cognizance of the fact that definite
2 duties, functions, and responsibilities are conferred upon the
3 Administrator and each State approving agency under the
4 veterans' educational programs. To assure that such pro-
5 grams are effectively and efficiently administered, the co-
6 operation of the Administrator and the State approving
7 agencies is essential. It is necessary to establish an ex-
8 change of information pertaining to activities of educational
9 institutions and training establishments, and particular at-
10 tention should be given to the enforcement of approval
11 standards, enforcement of wage and income limitations,
12 enforcement of enrollment restrictions, and fraudulent and
13 other criminal activities on the part of persons connected
14 with educational institutions and training establishments in
15 which veterans are enrolled under this title.

16 (b) The Administrator will furnish the State approving
17 agencies with copies of such Veterans' Administration in-
18 formational material as may aid them in carrying out this
19 title.

20 USE OF ~~OFFICE OF~~ EDUCATION AND OTHER FEDERAL
21 AGENCIES

22 SEC. 244. (a) In carrying out his functions under this
23 title, the Administrator may utilize the facilities and serv-
24 ices of any other Federal department or agency. ~~The~~
25 ~~Administrator shall utilize the services of the Office of~~

1 Education in developing cooperative agreements between the
2 Administrator and State and local agencies relating to the
3 approval of courses of education or training as provided for
4 in section 245, in reviewing the plan of operations of State
5 approving agencies under such agreements, and in render-
6 ing technical assistance to such State and local agencies in
7 developing and improving policies, standards, and legislation
8 in connection with their duties under this title.

9 (b) Any such utilization shall be pursuant to proper
10 agreement with the Federal department or agency concerned;
11 and payment to cover the cost thereof shall ~~(except in the~~
12 ~~case of the Office of Education)~~ be made either in advance
13 or by way of reimbursement, as may be provided in such
14 agreement. Funds necessary to enable the Office of Educa-
15 tion to carry out its functions under this title are authorized
16 to be appropriated directly to such Office.

17 REIMBURSEMENT OF EXPENSES

18 SEC. 245. The Administrator is authorized to enter into
19 contracts or agreements with State and local agencies to pay
20 such State and local agencies for reasonable and necessary
21 expenses of salary and travel incurred by employees of such
22 agencies in (1) rendering necessary services in ascertaining
23 the qualifications of educational institutions and training
24 establishments for furnishing courses of education or training
25 to eligible veterans under this title, and in the supervision of

1 such educational institutions and training establishments, and
2 (2) furnishing, at the request of the Administrator, any
3 other services in connection with this title. Each such con-
4 tract or agreement shall be conditioned upon compliance with
5 the standards and provisions of this title.

6 PART VI—APPROVAL OF COURSES OF EDUCATION AND
7 TRAINING

8 APPRENTICE OR OTHER TRAINING ON THE JOB

9 SEC. 251. (a) Apprentice or other training on the job
10 shall consist of courses offered by training establishments
11 whenever such courses of training are furnished in accord-
12 ance with the provisions of this section. Any training estab-
13 lishment desiring to furnish a course of apprentice or other
14 training on the job shall submit to the appropriate State
15 approving agency a written application setting forth the
16 course of training for each job for which an eligible veteran
17 is to be trained. The written application covering the course
18 of training shall include the following:

19 (1) Title and description of the specific job objec-
20 tive for which the eligible veteran is to be trained;

21 (2) The length of the training period;

22 (3) A schedule listing various operations for major
23 kinds of work or tasks to be learned and showing for
24 each, job operations or work, tasks to be performed,

1 and the approximate length of time to be spent on each
2 operation or task;

3 (4) The wage or salary to be paid at the beginning
4 of the course of training, at each successive step in the
5 course, and at the completion of training;

6 (5) The entrance wage or salary paid by the estab-
7 lishment to employees already trained in the kind of
8 work for which the veteran is to be trained; and

9 (6) The number of hours of supplemental related
10 instruction required.

11 (b) The appropriate State approving agency may ap-
12 prove a course of apprentice or other training on the job
13 specified in an application submitted by a training establish-
14 ment in accordance with subsection (a) if such training
15 establishment is found upon investigation to have met the
16 following criteria:

17 (1) The training content of the course is adequate
18 to qualify the eligible veteran for appointment to the
19 job for which he is to be trained.

20 (2) There is reasonable certainty that the job for
21 which the eligible veteran is to be trained will be avail-
22 able to him at the end of the training period.

23 (3) The job is one in which progression and ap-
24 pointment to the next higher classification are based

1 upon skills learned through organized training on the
2 job and not on such factors as length of service and
3 normal turn-over.

4 (4) The wages to be paid the eligible veteran for
5 each successive period of training are not less than those
6 customarily paid in the training establishment and in the
7 community to a learner in the same job who is not
8 a veteran.

9 (5) The job customarily requires a period of train-
10 ing of not less than three months and not more than two
11 years of full-time training, except that this provision
12 shall not apply to apprentice training.

13 (6) The length of the training period is no longer
14 than that customarily required by the training establish-
15 ment and other training establishments in the community
16 to provide an eligible veteran with the required skills,
17 arrange for the acquiring of job knowledge, technical
18 information, and other facts which the eligible veteran
19 will need to learn in order to become competent on the
20 job for which he is being trained.

21 (7) Provision is made for related instruction for
22 the individual eligible veteran who may need it.

23 (8) There is in the training establishment adequate
24 space, equipment, instructional material, and instructor
25 personnel to provide satisfactory training on the job.

(9) Adequate records are kept to show the progress made by each eligible veteran toward his job objective.

(10) Appropriate credit is given the eligible veteran for previous training and job experience, whether in the military service or elsewhere, his beginning wage adjusted to the level to which such credit advances him and his training period shortened accordingly and provision is made for certification by the training establishment that such credit has been granted and the beginning wage adjusted accordingly. No course of training will be considered bona fide if given to an eligible veteran who is already qualified by training and experience for the job objective.

(11) A signed copy of the training agreement for each eligible veteran, including the training program and wage scale as approved by the State approving agency, is provided to the veteran and to the Administrator and the State approving agency by the employer.

(12) Upon completion of the course of training furnished by the training establishment the eligible veteran is given a certificate by the employer indicating the length and type of training provided and that the eligible veteran has completed the course of training on the job satisfactorily.

1 (13) That the course meets such other criteria as
2 may be established by the State approving agency.

3 INSTITUTIONAL ON-FARM TRAINING

4 SEC. 252. (a) An eligible veteran shall be entitled to
5 the benefits of this title while enrolled in a course of full-time
6 institutional on-farm training which has been approved by
7 the appropriate State approving agency in accordance with
8 the provisions of this section.

9 (b) The State approving agency may approve a course
10 of institutional on-farm training when it satisfies the follow-
11 ing requirements:

12 (1) The course combines organized group instruc-
13 tion in agricultural and related subjects of at least two
14 hundred hours per year (and of at least eight hours
15 each month) at an educational institution, with super-
16 vised work experience on a farm or other agricultural
17 establishment.

18 (2) The eligible veteran will perform a part of
19 such course on a farm or other agricultural establish-
20 ment under his control.

21 (3) The course is developed with due consideration
22 to the size and character of the farm or other agri-
23 cultural establishment on which the eligible veteran will
24 receive his supervised work experience and to the need
25 of such eligible veteran, in the type of farming for which

1 he is training, for proficiency in planning, producing,
2 marketing, farm mechanics, conservation of resources,
3 food conservation, farm financing, farming manage-
4 ment, and the keeping of farm and home accounts.

5 (4) The eligible veteran will receive not less than
6 one hundred hours of individual instruction per year, not
7 less than fifty hours of which shall be on such farm or
8 other agricultural establishment (with at least two visits
9 by the instructor to such farm each month). Such indi-
10 vidual instruction shall be given by the instructor re-
11 sponsible for the veteran's institutional instruction and
12 shall include instruction and home-study assignments in
13 the preparation of budgets, inventories, and statements
14 showing the production, use on the farm, and sale of
15 crops, livestock, and livestock products.

16 (5) The eligible veteran will be assured of con-
17 trol of such farm or other agricultural establishment
18 (whether by ownership, lease, management agreement,
19 or other tenure arrangement) until the completion of his
20 course.

21 (6) Such farm or other agricultural establishment
22 shall be of a size and character which (A) will, to-
23 gether with the group-instruction part of the course,
24 occupy the full time of the eligible veteran, (B) will

1 permit instruction in all aspects of the management of
2 the farm or other agricultural establishment of the type
3 for which the eligible veteran is being trained, and will
4 provide the eligible veteran an opportunity to apply to
5 the operation of his farm or other agricultural establish-
6 ment the major portion of the farm practices taught in
7 the group instruction part of the course, and (C) will
8 assure him a satisfactory income for a reasonable living
9 under normal conditions at least by the end of his course.

10 (7) Provision shall be made for certification by the
11 institution and the veteran that the training offered does
12 not repeat or duplicate training previously received by
13 the veteran.

14 (8) The institutional on-farm training meets such
15 other fair and reasonable standards as may be established
16 by the State approving agency.

17 APPROVAL OF ACCREDITED COURSES

18 SEC. 253. (a) A State approving agency may approve
19 the courses offered by an educational institution when—

20 (1) such courses have been accredited and ap-
21 proved by a nationally recognized accrediting agency or
22 association;

23 (2) credit for such course is approved by the State
24 department of education for credit toward a high school
25 diploma;

1 (3) such courses are conducted under the Act of
2 February 23, 1917, as amended (39 Stat. 927), or the
3 Vocational Education Act of 1946; or

4 (4) such courses are accepted by the State depart-
5 ment of education for credit for a teacher's certificate or
6 a teacher's degree.

7 For the purposes of this title the Commissioner shall publish
8 a list of nationally recognized accrediting agencies and asso-
9 ciations which he determines to be reliable authority as to
10 the quality of training offered by an educational institution
11 and the State approving agencies may, upon concurrence,
12 utilize the accreditation of such accrediting associations or
13 agencies for approval of the courses specifically accredited
14 and approved by such accrediting association or agency. In
15 making application for approval, the institution shall transmit
16 to the State approving agency copies of its catalog or bulletin.

17 (b) As a condition to approval under this section, the
18 State approving agency must find that adequate records are
19 kept by the educational institution to show the progress of
20 each eligible veteran. The State approving agency must
21 also find that the educational institution maintains a written
22 record of the previous education and training of the veteran
23 and clearly indicates that appropriate credit has been given
24 by the institution for previous education and training, with

1 the training period shortened proportionately and the veteran
2 and the Administrator so notified.

3 APPROVAL OF NONACCREDITED COURSES

4 SEC. 254. (a) No course of education or training
5 (other than a course of institutional on-farm training) which
6 has not been approved by a State approving agency pursuant
7 to section 253, which is offered by a public or private, profit
8 or nonprofit, educational institution shall be approved for the
9 purposes of this title unless the educational institution offering
10 such course submits to the appropriate State approving
11 agency a written application for approval of such course in
12 accordance with the provisions of this title.

13 (b) Such application shall be accompanied by not less
14 than two copies of the current catalog or bulletin which is
15 certified as true and correct in content and policy by an
16 authorized owner or official and includes the following:

17 (1) Identifying data, such as volume number and
18 date of publication;

19 (2) Names of the institution and its governing
20 body, officials and faculty;

21 (3) A calendar of the institution showing legal holi-
22 days, beginning and ending date of each quarter, term,
23 or semester, and other important dates;

24 (4) Institution policy and regulations on enroll-

ment with respect to enrollment dates and specific entrance requirements for each course;

(5) Institution policy and regulations relative to leave, absences, class cuts, make-up work, tardiness and interruptions for unsatisfactory attendance;

(6) Institution policy and regulations relative to standards ~~of~~ of progress required of the student by the institution (this policy will define the grading system of the institution, the minimum grades considered satisfactory, conditions for interruption for unsatisfactory grades or progress and a description of the probationary period, if any, allowed by the institution, and conditions of reentrance for those students dismissed for unsatisfactory progress. A statement will be made regarding progress records kept by the institution and furnished the student) ;

(7) Institution policy and regulations relating to student conduct and conditions for dismissal for unsatisfactory conduct;

(8) Detailed schedule of fees, charges for tuition, books, supplies, tools, student activities, laboratory fees, service charges, rentals, deposits, and all other charges;

(9) Policy and regulations of the institution relative to the refund of the unused portion of tuition, fees, and

1 other charges in the event the student does not enter
2 the course or withdraws or is discontinued therefrom;

3 (10) A description of the available space, facilities,
4 and equipment;

5 (11) A course outline for each course for which ap-
6 proval is requested, showing subjects or units in the
7 course, type of work or skill to be learned, and approxi-
8 mate time and clock hours to be spent on each subject
9 or unit; and

10 (12) Policy and regulations of the institution rela-
11 tive to granting credit for previous educational training.

12 (c) The appropriate State approving agency may ap-
13 prove the application of such institution when the institution
14 and its nonaccredited courses are found upon investigation
15 to have met the following criteria:

16 (1) The courses, curriculum, and instruction are
17 consistent in quality, content, and length with similar
18 courses in public schools and other private schools in the
19 State, with recognized accepted standards.

20 (2) There is in the institution adequate space,
21 equipment, instructional material, and instructor per-
22 sonnel to provide training of good quality.

23 (3) Educational and experience qualifications of
24 directors, administrators, and instructors are adequate.

25 (4) The institution maintains a written record of

1 the previous education and training of the veteran and
2 clearly indicates that appropriate credit has been given
3 by the institution for previous education and training,
4 with the training period shortened proportionately and
5 the veteran and the Administrator so notified.

6 (5) A copy of the course outline, schedule of
7 tuition, fees, and other charges, regulations pertaining to
8 absences, grading policy, and rules of operation and
9 conduct will be furnished the veteran upon enrollment.

10 (6) Upon completion of training, the veteran is
11 given a certificate by the institution indicating the ap-
12 proved course and indicating that training was satis-
13 factorily completed.

14 (7) Adequate records as prescribed by the State
15 approving agency are kept to show attendance and
16 progress or grades, and satisfactory standards relating
17 to attendance, progress, and conduct are enforced.

18 (8) The institution complies with all local, city,
19 county, municipal, State, and Federal regulations, such
20 as fire codes, building and sanitation codes. The State
21 approving agency may require such evidence of com-
22 pliance as is deemed necessary.

23 (9) The institution is financially sound and capable
24 of fulfilling its commitments for training.

25 (10) The institution does not utilize advertising of

any type which is erroneous or misleading, either by actual statement, omission, or intimation. The institution shall not be deemed to have met this requirement until the State approving agency (1) has ascertained from the Federal Trade Commission whether the Commission has issued an order to the institution to cease and desist from any act or practice, and (2) has, if such an order has been issued, given due weight to that fact.

(11) The institution does not exceed its enrollment limitations as established by the State approving agency.

(12) The institution's administrators, directors, owners, and instructors are of good reputation and character.

(13) The institution has and maintains a policy for the refund of the unused portion of tuition, fees, and other charges in the event the ~~student~~ *veteran* fails to enter the course or withdraws or is discontinued therefrom at any time prior to completion and such policy must provide that the amount charged to the ~~student~~ *veteran* for tuition, fees, and other charges for a portion of the course shall not exceed the approximate pro rata portion of the total charges for tuition, fees, and other charges that the length of the completed portion of the course bears to its total length.

(14) Such additional criteria as may be deemed necessary by the State approving agency.

NOTICE OF APPROVAL OF COURSES

SEC. 255. The State approving agency, upon determining that an educational institution has complied with all the requirements of this title, will issue a letter to such institution setting forth the courses which have been approved for the purposes of this title, and will furnish an official copy of such letter and any subsequent amendments to the Administrator. The letter of approval shall be accompanied by a copy of the catalog or bulletin of the institution, as approved by the State approving agency, and shall contain the following information:

(1) date of letter and effective date of approval of courses;

(2) proper address and name of each educational institution or training establishment;

(3) authority for approval and conditions of approval, referring specifically to the approved catalog or bulletin published by the educational institution;

(4) name of each course approved;

(5) where applicable, enrollment limitations such as maximum numbers authorized and student-teacher ratio;

1 (6) signature of responsible official of State ap-
2 proving agency; and

3 (7) such other fair and reasonable provisions as are
4 considered necessary by the appropriate State approving
5 agency.

6 DISAPPROVAL OF COURSES AND DISCONTINUANCE OF
7 ALLOWANCES

8 SEC. 256. (a) Any course approved for the purposes
9 of this title which fails to meet any of the requirements
10 of this title shall be immediately disapproved by the appro-
11 priate State approving agency. An educational institution
12 or training establishment which has its courses disapproved
13 by a State approving agency will be notified of such dis-
14 approval by a registered letter of notification and a return
15 receipt secured.

16 (b) The Administrator may discontinue the education
17 and training allowance of any eligible veteran if he finds
18 that the course of education or training in which such veteran
19 is enrolled fails to meet any of the requirements of this title
20 or if he finds that the educational institution or training
21 establishment offering such course has violated any provision
22 of this title or fails to meet any of its requirements.

23 (c) Each State approving agency shall notify the Ad-
24 ministrator of each course which it has disapproved under
25 this section. The Administrator shall notify the State ap-

1 proving agency of his disapproval of any educational institu-
2 tion or training establishment under part VII of Veterans
3 Regulation Numbered 1 (a), as amended.

4 PART VII—MISCELLANEOUS PROVISIONS

5 AUTHORITY AND DUTIES OF ADMINISTRATOR

6 SEC. 261. (a) The Administrator is authorized to pre-
7 scribe, promulgate, and publish such rules and regulations
8 as are consistent with the provisions of this title and neces-
9 sary to carry out its purposes. Notwithstanding the pro-
10 visions of section 11 of the Act of October 17, 1940, as
11 amended (54 Stat. 1193), payments under this title shall
12 be subject to audit and review by the General Accounting
13 Office as provided by the Budget and Accounting Act of
14 1921, as amended, and the Budget and Accounting Pro-
15 cedures Act of 1950.

16 (b) The Administrator is authorized to accept uncom-
17 pensated services and to enter into contracts or agreements
18 with private or public agencies, or persons, for necessary
19 services, incident to the administration of this title, includ-
20 ing personal services, as he may deem practicable.

21 (c) The Administrator may arrange for educational
22 and vocational guidance to persons eligible for educa-
23 tion and training under this title and, if the Administrator
24 requires such educational and vocational guidance, he is au-
25 thorized, in his discretion, to defray, or reimburse the veteran

1 for his traveling expenses to and from the place of advise-
2 ment. At such intervals as he deems necessary, he shall
3 make available information respecting the need for general
4 education and for trained personnel in the various crafts,
5 trades, and professions: *Provided*, That facilities of other
6 Federal agencies collecting such information shall be utilized
7 to the extent he deems practicable.

8 ADVISORY COMMITTEE

9 SEC. 262. The Administrator shall form an advisory
10 committee which shall be composed of persons who are emi-
11 nent in ~~the field of education and are representative their~~
12 *respective fields of education, labor, and management, and of*
13 *representatives* of the various types of institutions and estab-
14 lishments furnishing education and training to veterans en-
15 rolled under this title. The Commissioner *and the Secretary*
16 shall be ~~an ex officio member~~ *ex-officio members* of the
17 advisory committee. The Administrator shall advise and
18 consult with the committee from time to time with respect
19 to the administration of this title and the committee may
20 make such reports and recommendations as it deems desirable
21 to the Administrator and to the Congress.

22 CONTROL BY AGENCIES OF UNITED STATES

23 SEC. 263. No department, agency, or officer of the
24 United States, in carrying out this title, shall exercise any
25 supervision or control, whatsoever, over any State approv-

1 ing agency, State educational agency, or State apprentice-
2 ship agency, or any educational institution or training es-
3 tablishment: *Provided*, That nothing in this section shall
4 be deemed to prevent any department, agency, or officer of
5 the United States from exercising any supervision or con-
6 trol which such department, agency, or officer is author-
7 ized, by existing provisions of law, to exercise over any Fed-
8 eral educational institution or training establishment, or to
9 prevent the furnishing of education or training under this
10 title in any institution or establishment over which super-
11 vision or control is exercised by such other department,
12 agency, or officer under authority of existing provisions of
13 law.

14 CONFLICTING INTERESTS

15 SEC. 264. (a) Every officer or employee of the Vet-
16 erans' Administration ~~or of Office of Education~~, who has,
17 while such an officer or employee, owned any interest in, or
18 received any wages, salary, dividends, profits, gratuities, or
19 services from, any educational institution operated for profit
20 in which an eligible veteran was pursuing a course of educa-
21 tion or training under this title shall be immediately dis-
22 missed from his office or employment.

23 (b) If the Administrator finds that any person who is
24 an officer or employee of a State approving agency has,
25 while he was such an officer or employee, owned any interest

1 in, or received any wages, salary, dividends, profits, gratui-
2 ties, or services from, an educational institution operated for
3 profit in which an eligible veteran was pursuing a course
4 of education or training under this title, he shall discontinue
5 making payments under section 245 to such State approving
6 agency unless such agency shall, without delay, take such
7 steps as may be necessary to terminate the employment of
8 such person and such payments shall not be resumed while
9 such person is an officer or employee of the State approving
10 agency, or State Department of Veterans Affairs or State
11 Department of Education.

12 (c) A State approving agency shall not approve any
13 course offered by an educational institution operated for
14 profit and, if any such course has been approved, shall disap-
15 prove each such course, if it finds that any officer or employee
16 of the Veterans' ~~Administration, the Office of Education,~~
17 *Administration* or the State approving agency owns an
18 interest in, or receives any wages, salary, dividends, profits,
19 gratuities, or services from, such institution.

20 (d) *The Administrator may waive in writing the ap-*
21 *plication of this section in the case of any officer or employee*
22 *of the Veterans' Administration or of a State approving*
23 *agency, if he finds that no detriment will result to the United*

1 *States or to eligible veterans by reason of such interest or*
2 *connection of such officer or employee.*

3 REPORTS BY INSTITUTIONS

4 SEC. 265. (a) Educational institutions and training
5 establishments shall, without delay, report to the Admin-
6 istrator in the form prescribed by him, the enrollment, inter-
7 ruption, and termination of the education or training of each
8 eligible veteran enrolled therein under this title.

9 (b) *The Administrator shall pay to each educational*
10 *institution, which is required to submit reports and certifica-*
11 *tions to the Administrator under this title, an allowance for*
12 *each full-time eligible veteran or the pro-rata part thereof for*
13 *each part-time eligible veteran to assist the educational insti-*
14 *tution in defraying the expense of preparing and submitting*
15 *such reports and certifications. The amount of such allow-*
16 *ance for each such eligible veteran shall be determined by the*
17 *Administrator but shall be uniform with respect to all edu-*
18 *cational institutions. Such allowance shall be paid in such*
19 *manner and at such times as may be prescribed by the Ad-*
20 *ministrator, except that in the event any institution fails to*
21 *submit reports or certifications to the Administrator as re-*
22 *quired by this title, no allowance shall be paid to such insti-*
23 *tution for the month or months during which such reports or*

1 *certifications were not submitted as required by the*
2 *Administrator.*

3 OVERPAYMENTS TO VETERANS

4 SEC. 266. In any case where it is found by the Adminis-
5 trator that an overpayment has been made to a veteran
6 as the result of (1) the willful or negligent failure of the
7 educational institution or training establishment to report,
8 as required by this title and applicable regulations, to the
9 Veterans' Administration excessive absences from a course,
10 or discontinuance or interruption of a course by the veteran
11 or (2) false certification by the educational institution or
12 training establishment, the amount of such overpayment
13 shall constitute a liability of such institution or estab-
14 lishment, and may be recovered in the same manner
15 as any other debt due the United States: *Provided,*
16 That any amount so collected shall be reimbursed if the over-
17 payment is recovered from the veteran. This provision shall
18 not preclude the imposition of any civil or criminal action
19 under this or any other statute.

20 EXAMINATION OF RECORDS

21 SEC. 267. The records and accounts of educational in-
22 stitutions and training establishments pertaining to eligible
23 veterans who received education or training under this title
24 shall be available for examination by duly authorized repre-
25 sentatives of the Government.

FALSE OR MISLEADING STATEMENTS

SEC. 268. The Administrator shall not make any payments under this title to any person found by him to have willfully submitted any false or misleading claims. In each case where the Administrator finds that an educational institution or training establishment has willfully submitted a false or misleading claim, or where a veteran, with the complicity of an educational institution or training establishment, has submitted such a claim, he shall make a complete report of the facts of the case to the appropriate State approving agency and where deemed advisable to the Attorney General of the United States for appropriate action.

CRIMINAL PENALTIES ~~AND FORFEITURES~~

SEC. 269. Whoever knowingly and willfully—

(1) makes or presents any false, fictitious, or fraudulent affidavit, declaration, certificate, voucher, endorsement, or paper or writing purporting to be such, concerning any claim for payment under this title, or pertaining to any matter arising under this title,

(2) makes or presents any paper required under this title on which paper a date other than the date upon which it was actually signed or acknowledged by the claimant has been willfully inserted,

(3) certifies falsely that the declarant, affiant, or witness named in such affidavit, declaration, voucher,

1 endorsement, or other paper or writing personally ap-
2 peared before him and was sworn thereto, or acknowl-
3 edged the execution thereof, or

4 (4) accepts and converts to his own use payments
5 for any period during which he was not actually pur-
6 suing a course of education or training under this title
7 for which period payment was made,
8 shall forfeit all rights, claims, and benefits under this title
9 and under Public Law 2, Seventy-third Congress, as
10 amended, and, upon conviction, shall be fined not more than
11 \$500 or imprisoned not more than six months, or both. Any
12 person not subject to the forfeiture provisions of this section
13 who violates this section shall be fined not more than \$5,000
14 or imprisoned not more than three years, or both.

15 APPLICATION OF OTHER LAWS

16 SEC. 270. The provisions of Public Law Numbered 262,
17 Seventy-fourth Congress, approved August 12, 1935 (49
18 Stat. 607), as amended, *the provisions of section 15 of*
19 *Public Law Numbered 2, Seventy-third Congress, as*
20 *amended, the provisions of section 12 of Public Law Num-*
21 *bered 144, Seventy-eighth Congress, approved July 13,*
22 *1943 (57 Stat. 557), as amended, and the provisions of*
23 titles II and III of Public Law Numbered 844, Seventy-
24 fourth Congress, approved June 29, 1936, as amended, shall
25 be for application under this title.

1 WAIVER OF RECOVERY OF OVERPAYMENTS

2 SEC. 271. There shall be no recovery of payments of
3 education and training allowance made under this title from
4 any person who, in the judgment of the Administrator, is
5 without fault on his part and where, in the judgment of the
6 Administrator, such recovery would defeat the purpose of
7 benefits otherwise authorized or would be against equity and
8 good conscience. No disbursing officer or certifying officer
9 shall be held liable for any amount paid to any person where
10 the recovery of such amount is waived under this section.

11 INFORMATION FURNISHED BY FEDERAL TRADE

12 COMMISSION

13 SEC. 272. The Federal Trade Commission shall keep all
14 State approving agencies advised of any information coming
15 to its attention which would be of assistance to such agencies
16 in carrying out their duties under this title.

17 EFFECTIVE DATE

18 SEC. 273. This title shall take effect on the date of its
19 enactment, except that no education and training allowance
20 shall be paid for any period prior to ~~September~~ August 1,
21 1952.

22 APPROPRIATIONS

23 SEC. 274. *The appropriations for the Veterans' Admin-*
24 *istration under the headings "Administration, medical, hos-*
25 *pital and domiciliary services" and "Readjustment benefits"*

1 *are hereby made available for expenditures necessary to carry*
 2 *out the provisions of this title, and there is hereby authorized*
 3 *to be appropriated such additional amounts as may be neces-*
 4 *sary to accomplish the purposes of this title.*

5 TITLE III—LOANS

6 PERSONS ELIGIBLE FOR LOANS

7 SEC. ~~310~~ 301. Subsection (a) of section 500 of the
 8 Servicemen's Readjustment Act of 1944, as amended, is
 9 amended—

10 (1) by inserting after "war" in the first sentence
 11 the following: " , or at any time on or after June 27,
 12 1950, and prior to such date as shall be determined by
 13 Presidential proclamation or concurrent resolution of
 14 the Congress,";

15 ~~(2)~~ by inserting before the period at the end of the
 16 first sentence the following: "*Provided*, That any per-
 17 son who is eligible for the benefits of this title by virtue of
 18 active service prior to June 27, 1950, or is the owner
 19 of property acquired through benefits accruing for prior
 20 service, shall not be eligible for additional benefits under
 21 this title by reason of active service on or after June 27,
 22 1950: *Provided further*, That any guaranty entitle-

1 ment used prior to reentry into service as to which the
2 Administrator has incurred no loss and is no longer sub-
3 ject to contingent liability shall be restored to any veteran
4 separated from the service after June 27, 1950"; and

5 (2) by inserting after the first sentence the follow-
6 ing: "Entitlement derived from service on or after
7 June 27, 1950, shall (1) cancel any unused entitlement
8 derived from service prior to June 27, 1950, and (2)
9 be reduced by the amount entitlement from such prior
10 service shall have been used to obtain a direct, guaran-
11 teed, or insured loan (a) on real property which the
12 veteran owns at the time of application or (b) as to
13 which the Administrator shall have incurred actual lia-
14 bility or loss, unless in the event of loss or the incurrence
15 and payment of such liability by the Administrator, the
16 resultant indebtedness of the veteran to the Government
17 shall have been paid in full."; and

18 (3) by inserting after "war" in the ~~third sentence~~
19 fourth sentence of such subsection, as amended by this
20 section, the following: " , and any loan to a veteran
21 eligible by virtue of active service on or after June 27,
22 1950, if made within ten years after such date as shall

1 be determined by Presidential proclamation or con-
2 current resolution of the Congress,”.

3 POWER OF ADMINISTRATOR TO EXAMINE LOANS

4 SEC. 302. Section 500 of the Servicemen’s Readjust-
5 ment Act of 1944, as amended, is amended by adding at the
6 end thereof the following new subsection:

7 “(f) Notwithstanding the provisions in this title re-
8 specting automatically guaranteed loans, the Administrator
9 may at any time upon thirty days’ notice require loans to be
10 made by any lender or class of lenders to be submitted for
11 prior approval, and no guaranty or insurance liability shall
12 exist in respect to such loans unless evidence of guaranty or
13 insurance is issued by the Administrator.”

14 ADDITIONAL REQUIREMENT FOR GUARANTEED LOANS

15 SEC. 303. Section 501 (a) (2) of the Servicemen’s
16 Readjustment Act of 1944, as amended, is amended by in-
17 serting after “expenses” the following: “, and the veteran is
18 a satisfactory credit risk”.

19 STANDARDS OF PLANNING AND CONSTRUCTION; ~~WAR-~~
20 ~~RANTIES; SUBSTANTIAL DEFICIENCIES IN HOUSING~~

21 SEC. 304. Section 504 of the Servicemen’s Readjustment
22 Act of 1944, as amended, is amended by striking out sub-
23 section (b) and inserting in lieu thereof the following new
24 subsections:

1 “(b) No loan for the purchase or construction of resi-
2 dential property on which construction is begun subsequent
3 to sixty days from the date the Veterans’ Readjustment
4 Assistance Act of 1952 becomes effective shall be financed
5 through the assistance of the provisions of this title unless
6 the property meets or exceeds minimum requirements for
7 planning, construction, and general acceptability prescribed
8 by the Administrator: *Provided*, That subsection 504 (b)
9 as originally enacted shall continue to be applicable to con-
10 struction begun prior to the end of such sixty-day period:
11 *Provided further*, That this subsection shall not apply to a
12 loan for the purchase of residential property the construction
13 of which was completed more than one year prior to the
14 making of such loan.

15 ~~“(c) The seller of a newly constructed dwelling unit~~
16 ~~which is sold for initial occupancy to any person who meets~~
17 ~~the eligibility requirements of section 500 (a) or section~~
18 ~~1506 of this Act, as amended, with the aid of financing~~
19 ~~guaranteed or insured by an agency or instrumentality of~~
20 ~~the Federal Government, and such other person as may be~~
21 ~~required by such agency or instrumentality to become~~
22 ~~warrantor, shall be deemed to have expressly warranted to~~
23 ~~such purchaser that the dwelling is constructed in substantial~~
24 ~~conformity with the plans and specifications on which such~~

1 agency or instrumentality based its valuation of the unit or
2 its commitment to guarantee or insure a loan to finance the
3 construction or purchase of such unit. Such warranty shall
4 apply only with respect to failures of performances as to
5 which the purchaser has given written notice to the war-
6 rantor within one year from the date of initial occupancy.

7 “(d) The Administrator shall have the right to refuse
8 to appraise any dwelling or housing project owned, spon-
9 sored, or to be constructed by any person identified with
10 housing previously sold to veterans under this title as to
11 which substantial deficiencies have been discovered, or as to
12 which there has been a failure or indicated inability to dis-
13 charge contractual liabilities to veterans, or as to which it is
14 ascertained that the type of contract of sale or the methods
15 or practices pursued in relation to the marketing of such
16 properties were unfair or unduly prejudicial to veteran
17 purchasers.”

18 ELIGIBILITY FOR LOANS TO REFINANCE EXISTING
19 LIABILITY

20 SEC. 305. Section 507 (1) of the Servicemen's Read-
21 justment Act of 1944, as amended, is amended by inserting
22 before the semicolon at the end thereof the following: “or,
23 in the case of a veteran eligible by virtue of active service on
24 or after June 27, 1950, not later than ten years after such

1 date as shall be determined by Presidential proclamation or
2 concurrent resolution of the Congress”.

3 EXPIRATION OF AUTHORITY TO MAKE DIRECT LOANS

4 SEC. 306. Section 512 (b) of the Servicemen’s Read-
5 justment Act of 1944, as amended, is amended by striking
6 out “(D)” and inserting in lieu thereof “(C)” and by
7 inserting before the period at the end thereof the following:
8 “, except that if a commitment to make such a loan was
9 issued by the Administrator prior to that date the loan may
10 be completed subsequent to such date”.

11 REFUSAL TO GUARANTEE OR INSURE LOANS IN CERTAIN
12 CASES

13 SEC. 307. Title III of the Servicemen’s Readjustment
14 Act of 1944, as amended, is amended by adding at the end
15 thereof the following new section:

16 “SEC. 514. Whenever the Administrator finds with re-
17 spect to loans guaranteed or insured under this title that any
18 lender or holder has failed to maintain adequate loan ac-
19 counting records, or to demonstrate proper ability to service
20 loans adequately or to exercise proper credit judgment or has
21 willfully or negligently engaged in practices otherwise detri-
22 mental to the interest of veterans or of the Government, he
23 may refuse either temporarily or permanently to guarantee
24 or insure any loans made by such lender or holder or bar

1 such lender or holder from acquiring loans guaranteed or
2 insured under this title: *Provided*, That the Administrator
3 shall not refuse to pay a guarantee on loans theretofore
4 entered into in good faith between the veteran and the lend-
5 ing institution."

6 TITLE IV—OLD AGE AND SURVIVORS

7 INSURANCE

8 WAGE CREDITS FOR VETERANS OF KOREAN CONFLICT

9 SEC. 401. (a) Section 217 of the Social Security Act
10 is amended by adding at the end thereof the following new
11 subsection:

12 " (c) (1) For the purposes of determining entitlement to
13 and the amount of any monthly benefit or lump-sum death
14 payment payable under this title on the basis of the
15 wages and self-employment income of any veteran of active
16 military or naval service on or after June 27, 1950, such
17 veteran shall be deemed to have been paid wages (in addi-
18 tion to the wages, if any, actually paid to him) of \$160 in
19 each month during any part of which he served in the active
20 military or naval service of the United States on or after
21 June 27, 1950, and prior to such date as shall be determined
22 by Presidential proclamation or concurrent resolution of the
23 Congress. This subsection shall not be applicable in the case
24 of any monthly benefit or lump-sum death payment if—

1 “(A) a larger such benefit or payment, as the case
2 may be, would be payable without its application; or

3 “(B) a benefit (other than a benefit payable in a
4 lump sum unless it is a commutation of, or a substitute
5 for, periodic payments) which is based, in whole or in
6 part, upon the active military or naval service of such
7 veteran on or after June 27, 1950, and prior to such
8 date as shall be determined by Presidential proclamation
9 or concurrent resolution of the Congress, is determined
10 by any agency or wholly owned instrumentality of the
11 United States (other than the Veterans' Administration)
12 to be payable by it under any other law of the United
13 States or under a system established by such agency or
14 instrumentality.

15 The provisions of clause (B) shall not be applicable in the
16 case of any monthly benefit or lump-sum death payment
17 under this title if its application would reduce the primary
18 insurance amount (as computed under section 215 prior to
19 any recomputation thereof pursuant to subsection (f) of such
20 section) of the individual on whose wages and self-employ-
21 ment income such benefit or payment is based by \$0.50
22 or less.

23 “(2) Upon application for benefits or a lump-sum death
24 payment on the basis of the wages and self-employment in-

1 come of any veteran of active military or naval service on
2 or after June 27, 1950, the Federal Security Administrator
3 shall make a decision without regard to clause (B) of para-
4 graph (1) of this subsection unless he has been notified by
5 some other agency or instrumentality of the United States
6 that, on the basis of the military or naval service of such
7 veteran on or after June 27, 1950, and prior to such date
8 as shall be determined by Presidential proclamation or con-
9 current resolution of the Congress, a benefit described in
10 clause (B) of paragraph (1) has been determined by such
11 agency or instrumentality to be payable by it. If he has not
12 been so notified, the Federal Security Administrator shall
13 then ascertain whether some other agency or wholly owned
14 instrumentality of the United States has decided that a bene-
15 fit described in clause (B) of paragraph (1) is payable by
16 it. If any such agency or instrumentality has decided, or
17 thereafter decides, that such a benefit is payable by it, it
18 shall so notify the Federal Security Administrator, and the
19 Administrator shall certify no further benefits for payment
20 or shall recompute the amount of any further benefits pay-
21 able, as may be required by paragraph (1) of this
22 subsection.

23 “(3) Any agency or wholly owned instrumentality of
24 the United States which is authorized by any law of the
25 United States to pay benefits, or has a system of benefits

1 which are based, in whole or in part, on military or naval
2 service on or after June 27, 1950, and prior to such date
3 as shall be determined by Presidential proclamation or con-
4 current resolution of the Congress, shall, at the request of the
5 Federal Security Administrator, certify to him, with respect
6 to any veteran of active military or naval service on or after
7 June 27, 1950, such information as the Administrator deems
8 necessary to carry out his functions under paragraph (2)
9 of this subsection.

10 “(4) There are hereby authorized to be appropriated
11 to the Trust Fund from time to time, as benefits which in-
12 clude service to which this subsection is applicable become
13 payable under this title, such sums as the Administrator es-
14 timates to be necessary to meet the additional costs, result-
15 ing from this subsection, of such benefits (including lump-
16 sum death payments). Such estimates shall be arrived at
17 through the use of appropriate accounting, statistical, sam-
18 pling, or other methods.

19 “(5) For the purposes of this subsection, the term ‘vet-
20 eran’ means any individual who served in the active military
21 or naval service of the United States at any time on or after
22 June 27, 1950, and prior to such date as shall be determined
23 by Presidential proclamation or concurrent resolution of the
24 Congress, and who, if discharged or released therefrom, was
25 so discharged or released under conditions other than dis-

1 honorable after active service of ninety days or more or by
2 reason of a disability or injury incurred or aggravated in
3 service in line of duty; but such term shall not include any
4 individual who died while in the active military or naval serv-
5 ice of the United States if his death was inflicted (other than
6 by an enemy of the United States) as lawful punishment for
7 a military or naval offense.”

8 ~~(b)~~ Section 205 ~~(c)~~ of such Act is amended by striking
9 out “section 217 ~~(a)~~” and inserting in lieu thereof “subsec-
10 tion ~~(a)~~ or ~~(c)~~ of section 217”.

11 ~~(c)~~ ~~(1)~~ The amendments made by subsections ~~(a)~~ and
12 ~~(b)~~ shall be applicable only with respect to monthly bene-
13 fits under section 202 of the Social Security Act for months
14 after, and with respect to lump-sum death payments in the
15 case of deaths occurring after, the month following the month
16 in which this Act is enacted, except that, in the case of any
17 individual who is entitled, on the basis of the wages and self-
18 employment income of any individual to whom section
19 217 ~~(c)~~ of the Social Security Act applies, to monthly
20 benefits under such section 202 for the month following
21 the month in which this Act is enacted, such amendments
22 shall be applicable ~~(A)~~ only if an application for recompu-
23 tation by reason of the amendments is filed by such individual,
24 or any other individual, entitled to benefits under such
25 section 202 on the basis of such wages and self-employment

1 income, and ~~(B)~~ only with respect to such benefits for
 2 months after whichever of the following is the later: the first
 3 month following the month in which this Act is enacted or
 4 the seventh month before the month in which such applica-
 5 tion was filed. Recomputations of benefits as required to
 6 carry out the provisions of this paragraph shall be made
 7 notwithstanding the provisions of section 215 ~~(f)~~ ~~(1)~~ of
 8 the Social Security Act; but no such recomputation shall be
 9 regarded as a recomputation for purposes of section 215
 10 ~~(f)~~ of the Social Security Act.

11 ~~(2)~~ In the case of any veteran ~~(as defined in section~~
 12 ~~217 (e) (5) of the Social Security Act)~~ who died prior
 13 to the enactment of this Act, the time within which proof
 14 of support may be filed under subsection ~~(f)~~ or ~~(h)~~ of
 15 section 202 of the Social Security Act shall be two years
 16 after the date of enactment of this Act.

17 LUMP-SUM DEATH PAYMENTS FOR REINTERMENT OF

18 DECEASED VETERANS

19 SEC. 402. ~~(a)~~ Section 101 ~~(d)~~ of the Social Security
 20 Act Amendments of 1950 is amended by changing the period
 21 at the end thereof to a comma and adding: "and except that
 22 in the case of any individual who died outside the forty-eight
 23 States and the District of Columbia on or after June 27,
 24 1950, and prior to September 1950, whose death oc-
 25 curred while he was in the active military or naval service

1 of the United States, and who is returned to any of such
2 States, the District of Columbia, Alaska, Hawaii, Puerto
3 Rico, or the Virgin Islands for interment or reinterment,
4 the last sentence of section 202 (g) of the Social Security
5 Act as in effect prior to the enactment of this Act shall
6 not prevent payment to any person under the second sen-
7 tence thereof if application for a lump-sum death payment
8 under such section with respect to such deceased individual
9 is filed by or on behalf of such person (whether or not
10 legally competent) prior to the expiration of two years
11 after the date of such interment or reinterment.”

12 (b) In the case of any individual who died outside the
13 forty-eight States and the District of Columbia after August
14 1950 and prior to such date as shall be determined by Presi-
15 dential proclamation or concurrent resolution of the Congress,
16 whose death occurred while he was in the active military or
17 naval service of the United States, and who is returned to any
18 of such States, the District of Columbia, Alaska, Hawaii,
19 Puerto Rico, or the Virgin Islands for interment or reinter-
20 ment, the last sentence of section 202 (i) of the Social
21 Security Act shall not prevent payment to any person under
22 the second sentence thereof if application for a lump-sum
23 death payment with respect to such deceased individual is
24 filed under such section by or on behalf of such person

1 ~~(whether or not legally competent)~~ prior to the expiration of
2 two years after the date of such interment or reinterment.

3 TITLE ~~V~~ IV—MUSTERING OUT PAYMENTS

4 ELIGIBILITY FOR PAYMENTS

5 SEC. ~~501~~ 401. Mustering-out pay as provided in this
6 title is designed to be in lieu of any provision for unemploy-
7 ment insurance or readjustment (unemployment) allowances
8 except that it is not the purpose to impair any rights to
9 unemployment insurance which may be afforded under exist-
10 ing laws.

11 SEC. ~~502~~ 402. (a) Except as provided in subsection
12 (b) of this section, each member of the Armed Forces who
13 shall have been engaged in active service on or after June
14 27, 1950, and prior to such date as shall be determined by
15 Presidential proclamation or concurrent resolution of the
16 Congress, and who is discharged or relieved from active
17 service under honorable conditions, shall be eligible to receive
18 mustering-out payment.

19 (b) No mustering-out payment shall be made to—

20 (1) any member of the Armed Forces who, at the
21 time of discharge or relief from active service, is in a
22 pay grade higher than O-3;

23 ~~(2) any member of the Armed Forces who is~~
24 ~~retired or separated therefrom under provisions of law~~

1 other than title IV of the Career Compensation Act of
2 1949;

3 (2) any member of the Armed Forces who, at the
4 time of discharge or release from active service, is
5 entitled to severance pay or is transferred or returned to
6 the retired list with retired pay, retirement pay, retainer
7 pay, or equivalent pay, or to a status in which he receives
8 such pay: Provided, That this paragraph shall not
9 apply upon retirement or separation pursuant to title
10 IV of the Career Compensation Act of 1949;

11 (3) any member of the Armed Forces for any
12 active service performed prior to the date of his dis-
13 charge or relief from active service on his own initiative
14 to accept employment or, in the case of any member so
15 relieved from active service, for any active service per-
16 formed prior to the date of his discharge while in such
17 inactive status, unless he has served outside the con-
18 tinental limits of the United States or in Alaska;

19 (4) any member of the Armed Forces whose total
20 period of service has been as a student assigned by the
21 Armed Forces to a civilian institution for a course of
22 education or training which was substantially the same
23 as established courses offered to civilians;

24 (5) any member of the Armed Forces for any ac-
25 tive service performed prior to the date of his discharge

from such forces for the purpose of entering the United States Military Academy, the United States Naval Academy, or the United States Coast Guard Academy;

(6) any member of the Armed Forces whose sole service has been as a cadet at the United States Military Academy or the United States Coast Guard Academy, or as a midshipman at the United States Naval Academy, or in a preparatory school after nomination as a principal, alternate, or candidate for admission to any of said Academies; and

(7) any commissioned officer unless he is discharged or relieved from active service within three years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress; and

(8) any member of the Armed Forces who is ordered to active service for the sole purpose of training duty or a physical examination, or for a period of less than sixty days.

(c) A member of the Armed Forces who is eligible to receive mustering-out payments under this title and under the Mustering-Out Payment Act of 1944 for the same period of active service shall elect to receive such payment either under this title or such Act, but shall not be entitled to payment under both provisions of law.

1 DETERMINATION OF PAYMENTS

2 SEC. ~~503~~ 403. (a) Mustering-out payment for persons
3 eligible under section ~~502~~ 402 shall be in sums as follows:

(1) \$300 for persons who, having performed active service for sixty days or more, have served outside the continental limits of the United States or in Alaska.

7 (2) \$200 for persons who, having performed active
8 service for sixty days or more, have served no part thereof
9 outside the continental limits of the United States or in
10 Alaska.

11 (3) \$100 for persons who have performed active serv-
12 ice for less than sixty days.

(b) Each person eligible to receive mustering-out payment under subsection (a) (1) shall receive one-third of the stipulated amount at the time of final discharge or ultimate relief from active service, or at the option of the person so eligible, at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces; and the remaining amount of such payment shall be paid in two equal installments—one month and two months, respectively, from the date of the original payment. Each person eligible to receive mustering-out payment under subsection (a) (2) shall receive one-half of the stipulated amount at the time of final discharge or ultimate relief from active service or, at

1 the option of the person so eligible, at the time of discharge
2 or release for the purpose of enlistment, reenlistment, or
3 appointment in a regular component of the Armed Forces;
4 and the remaining amount of such payment shall be paid one
5 month from the date of the original payment. Each person
6 eligible to receive mustering-out payment under subsection
7 (a) (3) shall receive the stipulated amount at the time of
8 such discharge or relief from active service or, at the option
9 of the person so eligible, at the time of discharge or release
10 for the purpose of enlistment, reenlistment, or appointment
11 in a regular component of the Armed Forces. A person en-
12 titled to receive the first installment of the mustering-out
13 payment at the time of discharge or release for the purpose
14 of enlistment, reenlistment, or appointment in a regular com-
15 ponent of the Armed Forces shall, at his election, receive
16 the whole of such payment in one lump sum, rather than in
17 installments.

18 **TIME LIMITATIONS**

19 **SEC. 504 404.** Any member of the Armed Forces en-
20 titled to mustering-out payment who shall have been dis-
21 charged or relieved from active service under honorable
22 conditions before the effective date of this title shall, if
23 application therefore is made within two years after the
24 date of enactment of this title, be paid such mustering-out
25 payment by the Department of the Army, Navy, or Air

1 Force, or the Treasury Department, as the case may be,
2 beginning within one month after application has been re-
3 ceived and approved by such department. No member of
4 the Armed Forces shall receive mustering-out payment un-
5 der this title more than once, and such payment shall ac-
6 crue and the amount thereof shall be computed as of the
7 time of discharge for the purpose of effecting a perma-
8 nent separation from the service or of ultimate relief from
9 active service or, at the option of such member, for the
10 purpose of enlistment, reenlistment, or appointment in a
11 regular component of the Armed Forces.

12 DECEASED MEMBERS

13 SEC. ~~505~~ 405. If any member of the Armed Forces,
14 after his discharge or relief from active service, shall die
15 before receiving any portion of or the full amount of his
16 mustering-out payment, the balance of the amount due him
17 shall be payable, on appropriate application therefor, to his
18 surviving spouse, if any; and if he shall leave no surviving
19 spouse, then in equal shares to his child or children, if any;
20 and if he shall leave no surviving spouse or child or chil-
21 dren, then in equal shares to his surviving parents, if any.
22 No payments under this title shall be made to any other
23 person.

ADMINISTRATION OF TITLE

1
2 SEC. ~~506~~ 406. (a) Mustering-out payments due or to
3 become due under this title shall not be assignable and any
4 payments made to or on account of a veteran hereunder
5 shall be exempt from taxation, shall be exempt from the
6 claims of creditors, including any claim of the United States,
7 and shall not be subject to attachment, levy, or seizure by or
8 under any legal or equitable process whatever either before
9 or after receipt by the payee.

10 (b) The Secretaries of the Army, Navy, Air Force, and
11 Treasury shall make such regulations not inconsistent with
12 this title as may be necessary effectively to carry out the
13 provisions thereof, and their decisions shall be final and not
14 subject to review by any court or other Government official.

15 (c) The Secretaries of the Army, Navy, Air Force, and
16 Treasury, or such subordinate officers as they may designate,
17 are authorized to make direct payment to survivors over sev-
18 enteen years of age, and to select a proper person or persons
19 to whom mustering-out payments may be made for the use
20 and benefit of former active members of the Armed Forces,
21 or survivors thereof, as defined by section ~~505~~ 405 hereof,
22 without the necessity of appointment by judicial proceedings
23 of a legal representative of any such former member or such

1 survivors when, in the opinion of the respective Secretaries
2 or their designees, the interests of persons under seventeen
3 years of age so justify, or where the former active member
4 or his survivors is suffering from a mental disability suf-
5 ficient to make direct payment not in the best interests of
6 such person or persons. Payments made under the provi-
7 sions of this subsection shall constitute a complete discharge
8 of the obligation of the United States as provided in this
9 title; and the selection of a proper person or persons, as
10 provided herein, and the correctness of the amount due and
11 paid to such person or persons shall have the same finality
12 as that accorded decisions made pursuant to subsection (b).
13 The provisions of this subsection shall not apply where a
14 legal guardian or committee has been judicially appointed,
15 except as to any payments made hereunder prior to the
16 receipt of notice of appointment.

17 **DEFINITIONS**

18 **SEC. ~~507~~ 407.** As used in this title—

19 (a) The term “spouse” means a lawful wife or husband.

20 (b) The term “child” includes (1) a legitimate child;
21 (2) a child legally adopted; and (3) a stepchild, if, at the
22 time of death of the member of the Armed Forces, such
23 stepchild was a member of the deceased’s household.

24 (c) The term “parent” includes father and mother,

1 stepfather and stepmother, and father and mother through
2 adoption.

3 (d) The term "Armed Forces" means the Army, the
4 Navy, the Air Force, the Marine Corps, and the Coast Guard
5 of the United States.

6 TITLE ~~VI~~ V—MISCELLANEOUS

7 JOB COUNSELING AND EMPLOYMENT PLACEMENT

8 SEC. ~~604~~ 501. Section 607 of title IV, Servicemen's Re-
9 adjustment Act of 1944, as amended (38 U. S. C. 695f), is
10 hereby amended to read as follows:

11 "SEC. 607. The term 'veteran' as used in this title shall
12 mean a person who served in the active service of the Armed
13 Forces during a period of war in which the United States
14 has been, or is, engaged, or during the period on or after
15 June 27, 1950, and prior to such date as may be thereafter
16 determined by Presidential proclamation or concurrent reso-
17 lution of the Congress, and who has been discharged or re-
18 leased therefrom under conditions other than dishonorable."

19 SEC. 502. *Any person who served in the active military,*
20 *naval, or air service of the United States on and after June*
21 *27, 1950, and prior to such date as may thereafter be*
22 *determined by Presidential proclamation or concurrent reso-*
23 *lution of the Congress, and who shall have been discharged or*
24 *released therefrom under conditions other than dishonorable*

1 *is hereby authorized to elect, purchase, and pursue such*
2 *courses of education or training as are provided by the*
3 *United States Armed Forces Institute. Such courses shall*
4 *be furnished to such person by such institute subject to the*
5 *same conditions, general requirements, and fees, as are ap-*
6 *plicable to persons in the active service: Provided, That an*
7 *application for such course, in the form specified by the*
8 *Secretary of Defense, shall be filed by such person with the*
9 *Director of the United States Armed Forces Institute within*
10 *two years after the date of the discharge or release of such*
11 *person from the active service.*

12 AUTHORIZATION OF APPROPRIATIONS

13 SEC. ~~602~~ 503. There are hereby authorized to be ap-
14 propriated such sums as may be necessary to carry out
15 this Act.

Passed the House of Representatives June 5, 1952.

Attest:

RALPH R. ROBERTS,

Clerk.

82^d CONGRESS
2^d Session

H. R. 7656

[Report No. 1824]

AN ACT

To provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, and for other purposes.

JUNE 6 (legislative day, JUNE 5), 1952
Read twice and referred to the Committee on Labor
and Public Welfare

JUNE 25 (legislative day, JUNE 21), 1952
Reported with amendments

June 27, 1952 6/27-28/52

apparel and fabrics which are so highly flammable as to be dangerous when worn by individuals (S. Rept. 1869)(p. 8458).

15. CONSTRUCTION CONTRACTS. The Judiciary Committee reported without recommendation S. 2907, to prescribe policies and procedures to be followed by executive agencies in connection with cost-plus construction contracts (S. Rept. 1969) (p. 8459).
16. FARM PROGRAM. Sen. Ken denied Secretary Brannan's charges that he has voted against things the farmers need (pp. 8518-21).
17. PUERTO RICO. Received the conference report on H. J. Res. 430, approving the Puerto Rican constitution (p. 8515).
18. TAXATION. Sen. George inserted a letter from the Treasury Department recommending various modifications of the provision in the recent tax law relating to the tax treatment of expenses of raising livestock held for draft, breeding, or dairy purposes (pp. 8516-7). He also inserted his letter to the Treasury Department objecting to several Treasury interpretations of the tax law (pp. 8517-8).
19. VETERANS' BENEFITS. H. R. 7656, to provide for education, training, and loan-guarantee benefits for veterans of the Korean conflict, was made the unfinished business (p. 8518).

BILLS INTRODUCED - June 27

20. SOIL CONSERVATION. H. R. 8400, by Rep. Curtis of Nebr., to authorize the Secretary of Agriculture to cooperate with States and local agencies in the planning and carrying out of works of improvement for soil conservation, etc.; to Agriculture Committee (p. 8456).
21. FOREIGN AID. H. Con. Res. 228-234, to favor the economic development and improvement of the south Asian subcontinent; to Foreign Affairs Committee (p. 8456).
22. MINERALS. S. 3408, by Sen. Cordon, to permit mineral development of certain lands acquired by the U. S.; to Interior and Insular Affairs Committee (p. 8459).

ITEMS IN APPENDIX - June 27

23. DEFENSE PRODUCTION. Various speeches during debate on S. 2594, to extend and amend the Defense Production Act (pp. A4264, 4267, 4268, 4280-1, 4283, 4285).
24. PERSONNEL. Speech in the House by Rep. Vursell favoring additional restrictions on annual leave (p. A4265).
25. LIVESTOCK. Rep. Harrison inserted various resolutions of the Wyoming Stock Growers Association regarding subsidies, forest administration, expenditures, mineral rights, regional development, etc. (pp. A4257-8).

HOUSE (Continued) - June 27

26. EXTENSION WORK; TOBACCO; LAND TRANSFER. The Agriculture Committee authorized Chairman Cooley to request House concurrence in the Senate amendments to H. R. 6773, to amend the authorizations for extension work in view of the 1950 census; H. R. 3554, to provide that the carry-over of Maryland tobacco for any marketing year shall be the quantity of such tobacco on hand in the U. S. on January 1 of such marketing year; and H. R. 4686, authorizing the transfer of

a tract of land in the Robinson Remount Station, Nebr., to the city of Crawford (p. D657).

27. FORESTRY. The Agriculture Committee agreed to defer further consideration in the current session on H. R. 3491, to abolish the Lakeview Federal sustained-yield forest unit, Oreg. (p. D657).

HOUSE - June 28

28. EXTENSION WORK; TOBACCO; LAND TRANSFER. Agreed to the Senate amendments to the bills mentioned in item 26 above (pp. 8523-4). These bills will now be sent to the President.

29. SUPPLEMENTAL APPROPRIATION BILL, 1953. Passed with amendments this bill, H. R. 8370 (pp. 8526-80).

Agreed to the following amendments:

By Rep. Whitten, to prohibit use of foreign-aid funds "for the purchase of agricultural products or products produced from agricultural products not declared to be in short supply in the United States by the Secretary of Agriculture at less than the prevailing market price for such commodity within the United States or, if obtained from Commodity Credit Corporation stocks, at less than the support price of such commodity including handling and storage costs" (pp. 8560-1). Before action on this amendment, a similar provision in the bill had been stricken on a point of order raised by Rep. Gary (p. 8560).

By Rep. Whitten, to add an item of \$57,130,000 for the Economic Stabilization Agency (p. 8576).

By Rep. Davis, Ga., to reduce economic and technical assistance for Asia and the Pacific from \$118,634,250 to \$67,793,000; by a 124-114 vote (pp. 8548-54).

By Rep. Williams, Miss., to cut the item for multilateral technical cooperation from \$15,708,750 to \$9,171,333; by a 112-96 vote (p. 8556).

By Rep. Keating, to reduce the funds for administrative expenses of foreign aid from \$42,000,000 to \$37,800,000; by a 101-72 vote (pp. 8558-60).

By Rep. Jensen, to limit the filling of personnel vacancies in connection with foreign aid (pp. 8561-2).

Rejected an amendment by Rep. Barrett to appropriate \$16,500,000 additional for the school-lunch program, by a 64-96 vote (pp. 8574-5).

30. DEFENSE PRODUCTION. Agreed, 194-142; to the conference report on S. 2594, to amend and extend the Defense Production Act (pp. 8581-96). The Senate also agreed to the report (pp. 8602-13). This bill will now be sent to the President. The following provisions were agreed to by the conferees: Extending price and wage control through April 1953 and extending the other titles through June 1953; removing consumer credit controls and providing for removal of credit controls on housing under certain conditions; compromising the Wolcott Emergency Court of Appeals amendment; providing that OPS be required to demonstrate the validity of its regulations by "substantial" evidence instead of a "preponderance" of the evidence; to accept the Talle amendment making clear that all food processors are entitled to the Capehart amendment and that all distributors of processed foods are entitled to the Herlong amendment; eliminating the Talle de-control amendment and the Cole amendment which would have applied the historical mark-up to an individual seller; providing for import control as specified in the House provision with an amendment which permits the Secretary of Agriculture to allow imports of a commodity in an

June 28, 1952

amount 15% over the quotas where necessary so as not to affect adversely international relationships and trade (conferees emphasized that these restrictions are not intended to apply to cheese which is not competitive with domestic products); exempting processed fruits and vegetables from price control; restricting jurisdiction of the Wage Stabilization Board to wage matters; modified provision regarding allocation of materials internationally; providing for temporary continuation of 90%-of-parity loans on basic agricultural commodities; providing for an increase in fertilizer prices; etc.

31. PUERTO RICO. Received the conference report on H. J. Res. 430, approving the Puerto Rican constitution (pp. 8525-6).

32. ADJOURNED until Mon., June 30 (p. 8598).

SENATE - June 28

33. FOOT-AND-MOUTH DISEASE APPROPRIATIONS. Agreed to the conference report on H.R. 7860, urgent deficiency appropriation bill for 1952 (pp. 8613-5). This bill will now be sent to the President.

34. VETERANS' BENEFITS. Passed with amendments H. R. 7656, authorizing educational training, and loan-guarantee benefits to Korean veterans. Conferees were appointed. (pp. 8602, 8616-28.) The amendments included a Ferguson amendment providing for unemployment compensation for Korean veterans (p. 8624).

35. CONSUMERS. The Rules and Administration Committee reported with amendments S. Res. 169, creating a Select Committee on Consumer Interests (S. Rept. 1982) (p. 8600).

36. MILK. Sen. Wiley inserted a Wisconsin Milk Dealers Association telegram urging the dropping of price-controls on milk and its products (p. 8600).

37. EMERGENCY POWERS. Passed without amendment H. J. Res. 490, continuing certain statutory provisions until July 3, 1952 (p. 8615). This bill will now be sent to the President.

38. FOREIGN TRADE. Sen. Malone claimed that the International Materials Conference is a continuing attempt of the State Department to "average the level of the standard of living of this nation with the world," and discussed the American trade program to prove this point (pp. 8647-64).

39. DEFENSE APPROPRIATIONS BILL, 1953. Began debate on this bill, H. R. 7391 (pp. 8628, 8629-47).

RECESSED until Mon., June 30 (p. 8665).

40. LEGISLATIVE PROGRAM. The Majority Leader stated that the defense appropriation bill would be continued today, and that the German Treaties and the fair-trade bill would, he hoped, be considered before adjournment (pp. 8628-30).

BILLS INTRODUCED - June 28

41. WATER UTILIZATION. S. 3423, by Sen. Malone, to increase the limitation of expenditures for projects for the development of facilities for water storage and utilization in arid and semiarid areas of the United States under the Act of August 28, 1937; to Interior and Insular Affairs Committee (p. 8600).

S. 3424, by Sen. Malone, to change the date for the beginning of annual assessment work on mining claims held by location in the United States, including the Territory of Alaska, from the first day of July to the first day of October; to Interior and Insular Affairs Committee (p. 8600).

S. 3425, by Sen. Malone, authorizing the construction, operation, and maintenance of works diverting water from the main stream of the Colorado River above Davis Dam, together with certain appurtenant pumping plants and canals; to Interior and Insular Affairs Committee (p. 8600).

ITEMS IN APPENDIX

42. FOOD. Rep. Wier inserted Dr. R. S. Harris' (professor, Mass. Inst. of Technology) article, "There Is No Indispensable Food," which reports some scientific investigations regarding the nutritional quality of foods eaten in Mexico (pp. A4289-90).
43. WOOL. Rep. Harrison inserted a newspaper editorial praising the appointment of J. Bryson Wilson to be Chairman, board of directors, Wool Bureau; the Wool Bureau is a British-American international organization for the promotion of wool (pp. A4290-1).
44. ANTHRAX; IMPORT CONTROLS. Rep. Miller (Nebr.) inserted the text of USDA's new regulation to prevent the spread of anthrax into this country through imports of bone and bone meal products used as feed or fertilizer by requiring that these products be heated to a minimum of 20 pounds of steam pressure for at least an hour at a temperature of not less than 250 degrees F (pp. A4298-9).
45. MINERALS. Extension of remarks by Rep. Berry urging the development of domestic mineral deposits and claiming that the Government's policy of buying "everything possible in foreign countries in order to get exchange dollars abroad," and by purchasing minerals only from large producers in this country has blocked such development (pp. A4310-1).
46. INFLATION; DEFENSE PRODUCTION. Extension of remarks by Rep. Price opposing House action in amending the Defense Production Act which he claimed would cause inflation, and he inserted a Bureau of Labor Statistics report of living costs of the average family of four in 34 large cities (pp. A4299-4301).
- Rep. Rodino inserted a Newark Evening News editorial criticizing House amendments to the Defense Production Act which would practically eliminate price controls as a "deplorable exhibition of reckless disregard for the public interest" (p. A4308).
- Speech in the House by Rep. Donohue opposing recent amendments to the defense production bill, and claiming the elimination of economic controls would cause inflation, greater Federal expenditures requiring increased taxation, and a reduced standard of living in this country (pp. A4316-7).

COMMITTEE HEARINGS RELEASED BY GPO

47. RUBBER. Extension of the Rubber Act of 1948, H. R. 6787. S. Armed Services Com.
48. APPROPRIATIONS. Department of Defense Appropriations for 1953, H. R. 7391. S. Appropriations Committee.
- The Supplemental Appropriation Bill for 1953, Part 2 (Appendix of Emergency Agencies), H. R. 8370. H. Appropriations Committee.
49. TRANSPORTATION. Washington Metropolitan Area Transit Problem, S. 1868 and S. J. Res. 135. S. Interstate and Foreign Commerce Committee.

oOo

COMMITTEE HEARING ANNOUNCEMENTS for June 30: Conference on Agricultural appropriation bill (ex). Supplemental appropriation bill, S. Appropriations (ex).

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82D CONGRESS
2D SESSION

H. R. 7656

IN THE SENATE OF THE UNITED STATES

JUNE 28 (legislative day, JUNE 27), 1952

Ordered to be printed with the amendments of the Senate numbered

AN ACT

To provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 TITLE I—SHORT TITLE AND STATEMENT OF
4 POLICY

5 SHORT TITLE

6 SEC. 101. This Act may be cited as the “Veterans’ Re-
7 adjustment Assistance Act of 1952”.

STATEMENT OF POLICY

SEC. 102. The Congress of the United States hereby declares that the veterans' education and training program created by this Act is for the purpose of providing vocational readjustment and restoring lost educational opportunities to those service men and women whose educational or vocational ambitions have been interrupted or impeded by reason of active service in the Armed Forces during a period of national emergency and for the purpose of aiding such persons in attaining the educational and training status which they might normally have aspired to and obtained had they not served their country; and that the home, farm, and business-loan benefits, ~~(1) the old-age and survivors insurance credits,~~ the mustering out payments, and the employment assistance provided for by this Act are for the purpose of assisting in the readjustment of such persons from military to civilian life.

TITLE II—EDUCATIONAL AND VOCATIONAL ASSISTANCE

PART I—DEFINITIONS

SEC. 201. For the purposes of this title—

(1) the term "basic service period" means the period beginning on June 27, 1950, and ending on such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress;

1 (2) the term “eligible veteran” means any person
2 who is not in the active service in the Armed Forces and
3 who—

4 (A) has served in the active service in the Armed
5 Forces at any time during the basic service period,

6 (B) has been discharged or released from such
7 active service under conditions other than dishonorable,
8 and

9 (C) has served in the active service in the Armed
10 Forces for ninety days or more (exclusive of any period
11 he was assigned by the Armed Forces to a civilian
12 institution for a course of education or training which
13 was substantially the same as established courses offered
14 to civilians, or as a cadet or midshipman at one of the
15 service academies), or has been discharged or released
16 from active service by reason of an actual service-in-
17 curred injury or disability;

18 (3) the term “program of education or training” means
19 any single unit course or subject, any curriculum, or any
20 combination of unit courses or subjects, which is generally
21 accepted as necessary to fulfill requirements for the attain-
22 ment of a predetermined and identified educational, profes-
23 sional, or vocational objective;

24 (4) the term “course” means an organized unit of sub-
25 ject matter in which instruction is offered within a given

1 period of time or which covers a specific amount of re-
2 lated subject matter for which credit toward graduation or
3 certification is usually given;

4 (5) the term “dependent” means—

5 (A) a child (as defined in paragraph VI of Vet-
6 erans Regulation Numbered 10, as amended) of an
7 eligible veteran,

8 (B) a parent (as defined in paragraph VII of Vet-
9 erans Regulation Numbered 10, as amended) of an
10 eligible veteran, if the parent is in fact dependent upon
11 the veteran, and

12 (C) the wife of an eligible veteran, or, in the case
13 of an eligible veteran who is a woman, her husband if
14 he is in fact dependent upon the veteran;

15 (6) the term “educational institution” means any pub-
16 lic or private elementary school, secondary school, vocational
17 school, correspondence school, business school, junior college,
18 teachers college, college, normal school, professional school,
19 university, scientific or technical institution, or other institu-
20 tion furnishing education for adults;

21 (7) the term “training establishment” means any busi-
22 ness or other establishment providing apprentice or other
23 training on the job, including those under the supervision
24 of a college or university or any State department of edu-
25 cation, or any State apprenticeship agency, or any State

1 board of vocational education, or any ~~(2)apprentice coun-~~
 2 ~~cil joint apprentice committee~~, or the Bureau of Appentice-
 3 ship established in accordance with Public Law 308,
 4 Seventy-fifth Congress, or any agency of the Federal
 5 Government authorized to supervise such training;

6 (8) the term "Armed Forces" means the Army, the
 7 Navy, the Air Force, the Marine Corps, and the Coast Guard
 8 of the United States;

9 (9) the term "State" means the several States, the
 10 Territories and possessions of the United States, and the
 11 District of Columbia;

12 (10) the term "Administrator" means the Adminis-
 13 trator of Veterans' Affairs; and

14 (11) the term "Commissioner" means the United
 15 States Commissioner of ~~(3)Education: Education; and~~
 16 ~~(4)~~(12) the term "Secretary" means the Secretary of Labor
 17 of the United States Department of Labor.

18 PART II—ELIGIBILITY

19 ENTITLEMENT TO EDUCATION OR TRAINING GENERALLY

20 SEC. 211. Each eligible veteran shall, subject to the
 21 provisions of this title, be entitled to the education or train-
 22 ing provided under this title.

23 COMMENCEMENT; TIME LIMITATIONS

24 SEC. 212. (a) No eligible veteran shall be entitled to
 25 initiate a program of education or training under this title

1 after ~~(5)September~~ *August* 1, 1954, or after two years after
2 his discharge or release from active service, whichever is
3 later.

4 (b) The program of education and training of an eligible
5 veteran under this title shall, on and after the delimiting
6 date for the veteran to initiate his program, be pursued con-
7 tinuously until completion except that an eligible veteran
8 may suspend the pursuit of his program for periods of not
9 more than 12 consecutive months, and may suspend the
10 pursuit of such program for longer periods if the Adminis-
11 trator finds that the suspension for each such period was
12 due to conditions beyond the control of the eligible veteran.

13 (c) In the event an eligible veteran returns to active
14 service in the Armed Forces during the basic service period,
15 his date of discharge or release shall, for the purposes of
16 this section and section 213, be the date of his discharge or
17 release from his last period of active service which began
18 during the basic service period.

19 EXPIRATION OF ALL EDUCATION AND TRAINING

20 SEC. 213. No education or training shall be afforded an
21 eligible veteran under this title beyond seven years after
22 either his discharge or release from active service or the end
23 of the basic service period, whichever is earlier.

1 DURATION OF VETERAN'S EDUCATION OR TRAINING

2 SEC. 214. (a) Each eligible veteran shall be entitled to
3 education or training under this title for a period equal
4 to one and a half times the duration of his active service in
5 the Armed Forces during the basic service period (or to
6 the equivalent thereof in part-time training), except that—

7 (1) in computing the duration of his active service
8 in the Armed Forces, there shall be excluded a period
9 equal to any period he was assigned by the Armed
10 Forces to a civilian institution for a course of education
11 or training which was substantially the same as estab-
12 lished courses offered to civilians or as a cadet or mid-
13 shipman at one of the service academies;

14 (2) the period of education or training to which an
15 eligible veteran shall be entitled under this title shall not,
16 except as provided in subsection (b), exceed thirty-six
17 months; and

18 (3) the period of education or training to which an
19 eligible veteran shall be entitled under this title together
20 with education or training received under part VII
21 (Public Law 16, Seventy-eighth Congress, as amended,
22 and Public Law 894, Eighty-first Congress, as
23 amended), or part VIII of Veterans Regulation Num-

bered 1 (a), as amended, shall not, except as provided
in subsection (b), exceed forty-eight months in the
aggregate.

(b) Whenever the period of entitlement to education
or training under this title of an eligible veteran who is
enrolled in an educational institution regularly operated on
the quarter or semester system ends during a quarter or
semester and after a major part of such semester or quarter
has expired, such period shall be extended to the termination
of such unexpired quarter or semester. In all other courses
offered by educational institutions, whenever the period of
eligibility ends after a major portion of the course is com-
pleted such period may be extended to the end of the course
or for nine weeks, whichever is the lesser period.

(c) In the case of any eligible veteran who is pursuing
any program of education or training exclusively by cor-
respondence, one-fourth of the elapsed time in following such
program of education or training shall be charged against
the veteran's period of entitlement.

PART III—ENROLLMENT

SELECTION OF PROGRAM

SEC. 221. Subject to the provisions of this title, each
eligible veteran may select a program of education or train-
ing to assist him in attaining an educational, professional, or
vocational objective at any educational institution or training

1 establishment selected by him, whether or not located in the
 2 State in which he resides, which will accept and retain him
 3 as a student or trainee in any field or branch of knowledge
 4 which such institution or establishment finds him qualified
 5 to undertake or pursue. (6) ~~In no event, however, may an~~
 6 ~~eligible veteran pursue a program of education or training~~
 7 ~~under this title at an educational institution or training~~
 8 ~~establishment which is not located in a State, except that~~
 9 ~~the Administrator may approve the pursuit of a program of~~
 10 ~~education or training in the Republic of the Philippines at an~~
 11 ~~approved educational institution or training establishment.~~

12 APPLICATIONS; APPROVAL

13 SEC. 222. Any eligible veteran who desires to initiate
 14 a program of education or training under this title shall
 15 submit an application to the Administrator which shall be
 16 in such form, and contain such information, as the Adminis-
 17 trator shall prescribe. The Administrator shall approve such
 18 application unless he finds that such veteran is not eligible
 19 for or entitled to the education or training applied for or
 20 that his program of education or training fails to meet
 21 any of the requirements of this title, or that the eligible vet-
 22 eran is already qualified, by reason of previous education ~~and~~
 23 ~~or~~ training, for the educational, professional, or vocational
 24 objective for which the courses of the program of education

1 or training are offered. The Administrator shall notify the
2 eligible veteran of the approval or disapproval of his ap-
3 plication.

4 CHANGE OF PROGRAM

5 SEC. 223. (a) Subject to the provisions of section 222,
6 each eligible veteran may, ~~(7)~~*unless his program had been*
7 *interrupted or discontinued due to his own misconduct, his own*
8 *neglect, or his own lack of application*, at any time prior to
9 the end of the period during which he is entitled to initiate
10 a program of education or training under this title, make not
11 more than one change of program of education or training.

12 (b) Each eligible veteran, who has not made a change
13 of program of education or training before the expiration of
14 the period during which he is entitled to initiate a program
15 of education or training under this title, may make not more
16 than one change of program of education or training with
17 the approval of the Administrator. The Administrator shall
18 approve such a change if he finds that—

19 (1) the eligible veteran is not making satisfactory
20 progress in his present program and that the failure is
21 not due to his own misconduct, his own neglect, or his
22 own lack of application, and if the program to which the
23 eligible veteran desires to change is more in keeping
24 with his aptitude or previous education and training; or

25 (2) the program to which the eligible veteran

desires to change, while not a part of the program currently pursued by him, is a normal progression from such program.

AVOCATIONAL AND RECREATIONAL COURSES

SEC. 224. (a) The Administrator shall not approve the enrollment of an eligible veteran in any bartending course, dancing course, or personality development course.

(b) The Administrator shall not approve the enrollment of an eligible veteran—

(1) in any photography ~~(8)course;~~ *course or entertainment course, (9)or any flight training course pursued as a hobby or which the Administrator finds to be avocational or recreational in character;* or

(2) in any music course—instrumental or vocal—public speaking course, or course in sports or athletics such as horseback riding, swimming, fishing, skiing, golf, baseball, tennis, bowling, sports officiating, or other sport or athletic courses, except courses of applied music, physical education, or public speaking which are offered by institutions of higher learning for credit as an integral part of a program leading to an educational objective, or

(3) in any other type of course which the Administrator finds to be avocational or recreational in character;

unless the eligible veteran submits justification showing that

1 the course will be of bona fide use in the pursuit of his present
2 or contemplated business or occupation.

3 DISCONTINUANCE FOR UNSATISFACTORY PROGRESS

4 SEC. 225. The Administrator shall discontinue the edu-
5 cation and training allowance of an eligible veteran if, at
6 any time, he finds that, according to the regularly prescribed
7 standards and practices of the educational institution or
8 training establishment, the conduct or progress of such
9 veteran is unsatisfactory.

10 MINIMUM NUMBER OF NONVETERAN STUDENTS REQUIRED

11 SEC. 226. The Administrator shall not approve the
12 enrollment of any eligible veteran, not already enrolled, in
13 any nonaccredited course below the college level offered by
14 a proprietary profit or proprietary nonprofit educational
15 institution for any period during which the Administrator
16 finds that more than (10)~~three-fourths~~ *ninety per centum* of
17 the students enrolled in the course are having all or any
18 part of their tuition, fees, or other charges paid to or for
19 them by the educational institution or the Veterans' Admin-
20 istration under part VII or part VIII of Veterans Regula-
21 tion Numbered 1 (a) or this title.

22 PERIOD OF OPERATION FOR APPROVAL

23 SEC. 227. (a) The Administrator shall not approve the
24 enrollment of an eligible veteran in any course offered by
25 an educational institution when such course has been in

1 operation for less than ~~(11)two years~~ *one year immediately*
 2 *prior to the enrollment of such veteran.*

3 (b) Subsection (a) shall not apply to—

4 (1) any course to be pursued in a public or other
 5 tax-supported educational institution;

6 (2) any course which is offered by an educational
 7 institution which has been in operation for more than
 8 ~~(12)two years~~ *one year*, if such course is similar in char-
 9 acter to the instruction previously given by such institu-
 10 tion; or

11 (3) any course which has been offered by an in-
 12 stitution for a period of more than ~~(13)two years~~ *one year*,
 13 notwithstanding the institution has moved to another
 14 location within the same general locality.

15 INSTITUTIONS LISTED BY ATTORNEY GENERAL

16 SEC. 228. The Administrator shall not approve the
 17 enrollment of, or payment of an education and training
 18 allowance to, any eligible veteran in any course in an edu-
 19 cational institution or training establishment while it is listed
 20 by the Attorney General under section 3 of part III of
 21 Executive Order 9835, as amended.

22 PART IV—PAYMENTS TO VETERANS

23 EDUCATION AND TRAINING ALLOWANCE

24 SEC. 231. (a) The Administrator shall pay to each
 25 eligible veteran who is pursuing a program of education or

1 training under this title, and who applies therefor, an educa-
2 tion and training allowance to meet in part the expenses of
3 ~~(14) his subsistence, tuition, fees, supplies, books, and equip-~~
4 ~~ment~~ *his program of education or training.*

5 (b) The education and training allowance for an eligible
6 veteran shall be paid, as provided in section 232, only for
7 the period of the veteran's enrollment as approved by the
8 Administrator, but no allowance shall be paid—

9 (1) to any veteran enrolled in a course approved
10 under section 253 or a course of institutional on-farm
11 training for any period when the veteran is not pursuing
12 his course in accordance with the regularly established
13 policies and regulations of the institution and the require-
14 ments of this title,

15 (2) to any veteran enrolled in a course approved
16 under section 254 or in a course of apprentice or other
17 training on the job for any day of absence in excess
18 of thirty days in a twelve-month period, not counting
19 as absences weekends or legal holidays established by
20 Federal or State law during which the institution or
21 establishment is not regularly in session or operation,
22 or

23 (3) to any veteran pursuing his program of edu-
24 cation exclusively by correspondence for any period
25 during which no lessons were serviced by the institution.

1 (c) No education and training allowance shall be paid
2 to an eligible veteran for any period until the Administrator
3 shall have received—

4 (1) from the eligible veteran (A) in the case of
5 an eligible veteran enrolled in a course approved under
6 section 253 or a course of institutional on-farm training,
7 a certification that he was actually enrolled in and
8 pursuing the course as approved by the Administrator,
9 or (B) in the case of an eligible veteran enrolled in a
10 course approved under section 254 or a course of ap-
11 prentice or other training on the job, a certification
12 as to actual attendance during such period, or (C) in
13 the case of an eligible veteran enrolled in a program
14 of education or training by correspondence, a certifica-
15 tion as to the number of lessons actually completed by
16 the veteran and serviced by the institution, and

17 (2) from the educational institution or training
18 establishment, a certification, or an endorsement on the
19 veteran's certificate, that such veteran was enrolled
20 in and pursuing a course of education or training during
21 such period, and, in the case of an institution furnishing
22 education or training to a veteran exclusively by corre-
23 spondence, a certification, or an endorsement on the vet-
24 eran's certificate, as to the number of lessons completed
25 by the veteran and serviced by the institution.

1 Education and training allowances shall, insofar as practi-
 2 cable, be paid within twenty days after receipt by the
 3 Administrator of the certifications required by this sub-
 4 section.

5 COMPUTATION OF EDUCATION AND TRAINING ALLOWANCES

6 SEC. 232. (a) The ~~(15)~~*basic* education and training
 7 allowance ~~(16)~~ *to meet in part the expenses of subsistence,*
 8 *supplies, books, and equipment* of an eligible veteran who is
 9 pursuing a program of education or training in an educational
 10 institution and is not entitled to receive an education and
 11 training allowance under subsection (b), (c), (d), (e), or
 12 (f) shall be computed as follows:

13 (1) If such program is pursued on a full-time basis,
 14 such allowance shall be computed at the rate of ~~(17)~~~~\$110~~
 15 ~~\$80~~ per month, if the veteran has no dependent, or at
 16 the rate of ~~(18)~~~~\$150~~ ~~\$105~~ per month, if he has one
 17 ~~(19)~~~~or more dependents~~ *dependent*, or at the rate of
 18 ~~\$130~~ per month, if he has more than one dependent.

19 (2) If such program is pursued on a three-quarters
 20 time basis, such allowance shall be computed at the
 21 rate of ~~(20)~~ ~~\$80~~ ~~\$60~~ per month, if the veteran has no de-
 22 pendent, or at the rate of ~~(21)~~~~\$110~~ ~~\$80~~ per month, if
 23 he has one ~~(22)~~~~or more dependents~~ *dependent*, or at
 24 the rate of ~~\$100~~ per month, if he has more than one
 25 dependent.

1 (3) If such program is pursued on a half-time basis,
 2 such allowance shall be computed at the rate of ~~(23)~~\$50
 3 \$40 per month, if the veteran has no dependent, or at
 4 the rate of ~~(24)~~\$70 \$50 per month, if he has one
 5 ~~(25)or more dependents~~ *dependent, or at the rate of*
 6 \$70 per month, *if he has more than one dependent.*

7 (b) The ~~(26)~~basic education and training allowance
 8 ~~(27)~~*to meet in part the expenses of subsistence, supplies, books,*
 9 *and equipment* of an eligible veteran who is pursuing a full-time
 10 program of education and training which consists of institutional
 11 courses and on-the-job training, with the on-the-job training
 12 portion of the program being strictly supplemental to the
 13 institutional portion, shall be computed at the rate of (1)
 14 ~~(28)~~\$90 \$75 per month, if he has no dependent, or (2)
 15 ~~(29)~~\$120 \$95 per month, if he has one ~~(30)or more de-~~
 16 ~~pendents~~ *dependent, or (3) \$115 per month, if he has more*
 17 *than one dependent.*

18 (c) The education and training allowance of an eligible
 19 veteran pursuing apprentice or other training on the job
 20 shall be computed at the rate of (1) \$70 per month, if he has
 21 no dependent, or (2) ~~(31)~~\$95 \$85 per month, if he has one
 22 ~~(32)or more dependents~~ *dependent, or (3) \$105 per month, if*
 23 *he has more than one dependent; except that his education*
 24 *and training allowance shall be reduced at the end of each*

1 four-month period as his program progresses by an amount
 2 which bears the same ratio to the basic education and train-
 3 ing allowance as four months bears to the total duration of
 4 his apprentice or other training on the job; but in no case
 5 shall the Administrator pay an education and training allow-
 6 ance under this subsection in an amount which, when added
 7 to the compensation to be paid to the veteran, in accordance
 8 with his approved training program, for productive labor
 9 performed as a part of his course, would exceed the rate of
 10 (1) \$225 per month, if he has no dependent, or (2)
 11 ~~(33)\$300~~ \$275 per month, if he has one ~~(34)or more de-~~
 12 ~~pendents~~ *dependent*, or (3) \$310 per month, if he has more
 13 *than one dependent*. For the purpose of computing allow-
 14 ances under this subsection, the duration of the training of an
 15 eligible veteran shall be the period specified in the approved
 16 application as the period during which he may receive an
 17 education and training allowance for such training, plus
 18 such additional period, if any, as is necessary to make the
 19 number of months of such training a multiple of four.

20 (d) The ~~(35)~~*basic* education and training allowance
 21 ~~(36)~~*to meet in part the expenses of subsistence, supplies,*
 22 *books, and equipment* of an eligible veteran pursuing institu-
 23 tional on-farm training shall be computed at the rate of (1)
 24 ~~(37)\$95~~ \$70 per month, if he has no dependent, or (2)
 25 ~~(38)\$120~~ \$85 per month, if he has one ~~(39)or more depend-~~

1 ~~ents~~ dependent, or (3) \$105 per month, if he has more
 2 than one dependent; except that his education and train-
 3 ing allowance shall be reduced at the end of each four-
 4 month period as his program progresses by an amount which
 5 bears the same ratio to \$65 per month, if the veteran has no
 6 dependent, or ~~(40)\$90~~ \$80 per month, if he has one ~~(41)or~~
 7 ~~more dependents~~ dependent, or \$100 per month, if he has
 8 more than one dependent, as four months bears to the total
 9 duration of such veteran's institutional on-farm training. For
 10 the purpose of computing allowances under this subsection,
 11 the duration of the training of an eligible veteran shall be
 12 the period specified in the approved application as the period
 13 during which he may receive an education and training allow-
 14 ance for such training, plus such additional period, if any,
 15 as is necessary to make the number of such months of such
 16 training a multiple of four.

17 (e) The education and training allowance of an eligible
 18 veteran pursuing a program of education or training ex-
 19 clusively by correspondence shall be computed on the basis
 20 of the established charge which the institution requires
 21 nonveterans to pay for the course or courses pursued by the
 22 eligible veteran. Such allowance shall be paid quarterly
 23 on a pro rata basis for the lessons completed by the veteran
 24 and serviced by the institution, as certified by the institution.

25 (f) The education and training allowance of an eligible

1 veteran who is pursuing a program of education or training
2 under this title in an educational institution on a less-than-
3 half-time basis shall be computed at the rate of (1) the
4 established charges for tuition and fees which the institution
5 requires similarly circumstanced nonveterans enrolled in the
6 same course to pay, or (2) \$110 per month for a full-time
7 course, whichever is the lesser.

8 (g) Each eligible veteran who is pursuing an approved
9 course of flight training shall be paid an education and
10 training allowance to be computed at the rate of 75 per
11 centum of the established charge which similarly circum-
12 stanced nonveterans enrolled in the same flight course are
13 required to pay for tuition for the course. If such veteran's
14 program of education or training consists exclusively of flight
15 training, he shall not be paid an education and training allow-
16 ance under ~~(42)one of the preceding subsections~~ *any other*
17 *subsection* of this section; if his program of education or
18 training consists of flight training and other education or
19 training, the allowance payable under this subsection shall
20 be in addition to any education and training allowance
21 payable to him under ~~(43)one of the preceding~~ *the appli-*
22 *cable* subsections of this section for education or training
23 other than flight training. Such allowance shall be paid
24 monthly upon receipt of certification from the eligible vet-
25 eran and the institution as to the actual flight training

1 received by the veteran. In each such case the eligible
2 veteran's period of entitlement shall be charged (in addi-
3 tion to any charge made against his entitlement by reason
4 of education or training other than flight training) with
5 one day for each \$1.25 which is paid to the veteran as an
6 education and training allowance for such course.

7 (44)(h) *In addition to the basic education and training*
8 *allowances to meet in part the expenses of subsistence, sup-*
9 *plies, books, and equipment, there shall be paid to each*
10 *eligible veteran pursuing a course of education or training*
11 *who is entitled to a basic education and training allowance*
12 *under subsection (a), (b), or (d) an additional education*
13 *and training allowance to meet in part the cost of his tuition*
14 *and fees. Such additional education and training allowance*
15 *shall be paid monthly on a pro-rata basis of the total amount*
16 *of the established charges for tuition and fees for the course*
17 *which a nonveteran student similarly circumstanced is re-*
18 *quired to pay as and for tuition and fees for the course,*
19 *except that in no case shall such additional education and*
20 *training allowance exceed the rate of \$40 a month for a*
21 *full-time program or the pro-rata part thereof for a part-time*
22 *program. The additional education and training allowance*
23 *provided by this subsection shall be computed on the basis*
24 *of the tuition and fees which are required to be paid by*
25 *nonveteran students similarly circumstanced and shall not*

1 include optional fees, charges for board, lodging, living ex-
2 penses, or travel, deposits, or fees assessed to cover the cost
3 of supplies, books, or equipment.

4 (45) Notwithstanding the foregoing, where the Administrator
5 finds that more than 90 per centum of the students enrolled
6 in the course in which the veteran is enrolled are having
7 all or any part of their tuition, fees, or other charges paid
8 to or for them by the educational institution or the Veterans'
9 Administration under part VII or part VIII of Veterans
10 Regulation Numbered 1 (a) or this title, the payment of
11 the additional education and training allowance under this
12 subsection shall be at a rate which the Administrator de-
13 termines to be a fair and reasonable charge for tuition
14 and fees for such course, but in no event exceeding the
15 limits otherwise prescribed in this subsection with respect
16 to charges to nonveteran students and maximum dollar
17 amounts.

18 (46)(h) (i) No eligible veteran shall be paid an education
19 and training allowance under this title for any period during
20 which (1) he is enrolled in and pursuing a course of educa-
21 tion or training paid for by the United States under any
22 provision of law other than this title, where the payment of
23 such allowance would constitute a duplication of benefits paid
24 to the veteran from the Federal Treasury, or (2) he is pursu-
25 ing a course of apprentice or other training on the job, a

1 course of institutional on-farm training, or a course of educa-
2 tion and training described in subsection (b), on a less than
3 full-time basis.

4 FULL-TIME COURSES

5 SEC. 233. (a) For the purposes of this title, (1) an
6 institutional trade or technical course offered on a clock-hour
7 basis below the college level involving shop practice as an
8 integral part thereof, shall be considered a full-time course
9 when a minimum of thirty hours per week of attendance
10 is required with not more than two and one-half hours of
11 rest periods per week allowed, (2) an institutional course
12 offered on a clock-hour basis below the college level in which
13 theoretical or class room instruction predominates shall be
14 considered a full-time course when a minimum of twenty-five
15 hours per week net of instruction is required, and (3) an
16 institutional undergraduate course offered by a college or
17 university on a quarter or semester-hour basis for which
18 credit is granted toward a standard college degree shall be
19 considered a full-time course when a minimum of fourteen
20 semester hours or its equivalent is required.

21 (b) The Administrator shall define full-time training in
22 the case of all types of courses of education or training other
23 than institutional on-farm training and the types of courses
24 referred to in subsection (a) (47): *Provided, That the Ad-*
25 *ministrator shall not define full-time apprentice training for a*

1 *particular establishment above that established as the standard*
 2 *work-week through bona-fide collective bargaining between*
 3 *employers and employees.*

4 OVERCHARGES BY EDUCATIONAL INSTITUTIONS

5 SEC. 234. The Administrator (48) ~~shall~~ *may*, if he finds
 6 that an institution has charged or received from any eligible
 7 veteran any amount in excess of the established charges for
 8 tuition and fees which the institution requires similarly cir-
 9 cumstanced nonveterans enrolled in the same course to pay,
 10 disapprove such educational institution for the enrollment
 11 of any veteran not already enrolled therein (49),—except
 12 that, in the case of a tax-supported public educational institu-
 13 tion which does not have established charges for tuition and
 14 fees which it requires nonveteran residents to pay, such
 15 institution may charge and receive from each eligible vet-
 16 eran who is a resident an amount equal to the estimated
 17 cost of teaching personnel and supplies for instruction attri-
 18 butable to such veteran, but in no event to exceed the rate
 19 of \$31 per month for a full-time course.

20 PART V—STATE APPROVING AGENCIES

21 DESIGNATION

22 SEC. 241. (a) (50) *The Unless otherwise established by*
 23 *the law of the State concerned, the* chief executive of each
 24 State is requested to create or designate a State department

1 or agency as the "State approving agency" for his State for
2 the purposes of this title.

3 (b) * (1) In the event ~~(51)~~the chief executive of any
4 State fails or declines to create or designate a State approv-
5 ing agency, the provisions of this title which refer to the
6 State approving agency shall, with respect to such State, be
7 deemed to refer to the ~~(52)~~*Commissioner Administrator*.

8 (2) In the case of courses subject to approval by the
9 ~~(53)~~*Commissioner Administrator* under section 242, the pro-
10 visions of this title which refer to a State approving agency
11 shall be deemed to refer to the ~~(54)~~*Commissioner Adminis-*
12 *trator*.

13 APPROVAL OF COURSES

14 SEC. 242. (a) An eligible veteran shall receive the
15 benefits of this title while enrolled in a course of education
16 or training offered by an educational institution or training
17 establishment only if such course is approved by the State
18 approving agency for the State where such educational
19 institution or training establishment is situated or by the
20 ~~(55)~~*Commissioner Administrator*. Approval of courses by
21 State approving agencies shall be in accordance with the pro-
22 visions of this title and such other regulations and policies as
23 the State approving agency may adopt. Each State approv-

1 ing agency shall furnish the Administrator with a current list
2 of educational institutions and training establishments,
3 specifying courses which it has approved, and, in addition
4 to such list, it shall furnish such other information to the
5 Administrator as it and the Administrator may determine
6 to be necessary to carry out the purposes of this title. Each
7 State approving agency shall notify the Administrator of
8 the disapproval of any course previously approved and shall
9 set forth the reasons for such disapproval.

10 (b) The ~~(56)Commissioner~~ *Administrator* shall be re-
11 sponsible for the approval of courses of education or training
12 offered by any agency of the Federal Government author-
13 ized under other laws to supervise such education or train-
14 ing. The ~~(57)Commissioner~~ *Administrator* may approve
15 any course in any other educational institution or training
16 establishment in accordance with the provisions of this title.

17 COOPERATION

18 SEC. 243. (a) The Administrator and each State ap-
19 proving agency shall take cognizance of the fact that definite
20 duties, functions, and responsibilities are conferred upon the
21 Administrator and each State approving agency under the
22 veterans' educational programs. To assure that such pro-
23 grams are effectively and efficiently administered, the co-
24 operation of the Administrator and the State approving

1 agencies is essential. It is necessary to establish an ex-
 2 change of information pertaining to activities of educational
 3 institutions and training establishments, and particular at-
 4 tention should be given to the enforcement of approval
 5 standards, enforcement of wage and income limitations,
 6 enforcement of enrollment restrictions, and fraudulent and
 7 other criminal activities on the part of persons connected
 8 with educational institutions and training establishments in
 9 which veterans are enrolled under this title.

10 (b) The Administrator will furnish the State approving
 11 agencies with copies of such Veterans' Administration in-
 12 formational material as may aid them in carrying out this
 13 title.

14 USE OF (58) ~~OFFICE OF EDUCATION AND OTHER FEDERAL~~
 15 ~~AGENCIES~~

16 SEC. 244. (a) In carrying out his functions under this
 17 title, the Administrator may utilize the facilities and serv-
 18 ices of any other Federal department or agency. (59) ~~The~~
 19 ~~Administrator shall utilize the services of the Office of~~
 20 ~~Education in developing cooperative agreements between the~~
 21 ~~Administrator and State and local agencies relating to the~~
 22 ~~approval of courses of education or training as provided for~~
 23 ~~in section 245, in reviewing the plan of operations of State~~
 24 ~~approving agencies under such agreements, and in render-~~

1 ing technical assistance to such State and local agencies in
2 developing and improving policies, standards, and legislation
3 in connection with their duties under this title.

4 (b) Any such utilization shall be pursuant to proper
5 agreement with the Federal department or agency concerned;
6 and payment to cover the cost thereof shall ~~(60)~~~~(except in~~
7 ~~the case of the Office of Education)~~ be made either in advance
8 or by way of reimbursement, as may be provided in such
9 agreement. ~~(61)~~Funds necessary to enable the Office of
10 Education to carry out its functions under this title are
11 authorized to be appropriated directly to such Office.

12 REIMBURSEMENT OF EXPENSES

13 SEC. 245. The Administrator is authorized to enter into
14 contracts or agreements with State and local agencies to pay
15 such State and local agencies for reasonable and necessary
16 expenses of salary and travel incurred by employees of such
17 agencies in (1) rendering necessary services in ascertaining
18 the qualifications of educational institutions and training
19 establishments for furnishing courses of education or training
20 to eligible veterans under this title, and in the supervision of
21 such educational institutions and training establishments, and
22 (2) furnishing, at the request of the Administrator, any
23 other services in connection with this title. Each such con-
24 tract or agreement shall be conditioned upon compliance with
25 the standards and provisions of this title.

1 PART VI—APPROVAL OF COURSES OF EDUCATION AND
2 TRAINING

3 APPRENTICE OR OTHER TRAINING ON THE JOB

4 SEC. 251. (a) Apprentice or other training on the job
5 shall consist of courses offered by training establishments
6 whenever such courses of training are furnished in accord-
7 ance with the provisions of this section. Any training estab-
8 lishment desiring to furnish a course of apprentice or other
9 training on the job shall submit to the appropriate State
10 approving agency a written application setting forth the
11 course of training for each job for which an eligible veteran
12 is to be trained. The written application covering the course
13 of training shall include the following:

14 (1) Title and description of the specific job objec-
15 tive for which the eligible veteran is to be trained;

16 (2) The length of the training period;

17 (3) A schedule listing various operations for major
18 kinds of work or tasks to be learned and showing for
19 each, job operations or work, tasks to be performed,
20 and the approximate length of time to be spent on each
21 operation or task;

22 (4) The wage or salary to be paid at the beginning
23 of the course of training, at each successive step in the
24 course, and at the completion of training;

25 (5) The entrance wage or salary paid by the estab-

1 lishment to employees already trained in the kind of
2 work for which the veteran is to be trained; and

3 (6) The number of hours of supplemental related
4 instruction required.

5 (b) The appropriate State approving agency may ap-
6 prove a course of apprentice or other training on the job
7 specified in an application submitted by a training establish-
8 ment in accordance with subsection (a) if such training
9 establishment is found upon investigation to have met the
10 following criteria:

11 (1) The training content of the course is adequate
12 to qualify the eligible veteran for appointment to the
13 job for which he is to be trained.

14 (2) There is reasonable certainty that the job for
15 which the eligible veteran is to be trained will be avail-
16 able to him at the end of the training period.

17 (3) The job is one in which progression and ap-
18 pointment to the next higher classification are based
19 upon skills learned through organized training on the
20 job and not on such factors as length of service and
21 normal turn-over.

22 (4) The wages to be paid the eligible veteran for
23 each successive period of training are not less than those
24 customarily paid in the training establishment and in the

1 community to a learner in the same job who is not
2 a veteran.

3 (5) The job customarily requires a period of train-
4 ing of not less than three months and not more than two
5 years of full-time training, except that this provision
6 shall not apply to apprentice training.

7 (6) The length of the training period is no longer
8 than that customarily required by the training establish-
9 ment and other training establishments in the community
10 to provide an eligible veteran with the required skills,
11 arrange for the acquiring of job knowledge, technical
12 information, and other facts which the eligible veteran
13 will need to learn in order to become competent on the
14 job for which he is being trained.

15 (7) Provision is made for related instruction for
16 the individual eligible veteran who may need it.

17 (8) There is in the training establishment adequate
18 space, equipment, instructional material, and instructor
19 personnel to provide satisfactory training on the job.

20 (9) Adequate records are kept to show the progress
21 made by each eligible veteran toward his job objective.

22 (10) Appropriate credit is given the eligible vet-
23 eran for previous training and job experience, whether
24 in the military service or elsewhere, his beginning wage

1 adjusted to the level to which such credit advances him
2 and his training period shortened accordingly and pro-
3 vision is made for certification by the training establish-
4 ment that such credit has been granted and the beginning
5 wage adjusted accordingly. No course of training will
6 be considered bona fide if given to an eligible veteran
7 who is already qualified by training and experience for
8 the job objective.

9 (11) A signed copy of the training agreement for
10 each eligible veteran, including the training program
11 and wage scale as approved by the State approving
12 agency, is provided to the veteran and to the Adminis-
13 trator and the State approving agency by the employer.

14 (12) Upon completion of the course of training
15 furnished by the training establishment the eligible vet-
16 eran is given a certificate by the employer indicating
17 the length and type of training provided and that the
18 eligible veteran has completed the course of training on
19 the job satisfactorily.

20 (13) That the course meets such other criteria as
21 may be established by the State approving agency.

22 INSTITUTIONAL ON-FARM TRAINING

23 SEC. 252. (a) An eligible veteran shall be entitled to
24 the benefits of this title while enrolled in a course of full-time
25 institutional on-farm training which has been approved by

1 the appropriate State approving agency in accordance with
2 the provisions of this section.

3 (b) The State approving agency may approve a course
4 of institutional on-farm training when it satisfies the follow-
5 ing requirements:

6 (1) The course combines organized group instruc-
7 tion in agricultural and related subjects of at least two
8 hundred hours per year (and of at least eight hours
9 each month) at an educational institution, with super-
10 vised work experience on a farm or other agricultural
11 establishment.

12 (2) The eligible veteran will perform a part of
13 such course on a farm or other agricultural establish-
14 ment under his control.

15 (3) The course is developed with due consideration
16 to the size and character of the farm or other agri-
17 cultural establishment on which the eligible veteran will
18 receive his supervised work experience and to the need
19 of such eligible veteran, in the type of farming for which
20 he is training, for proficiency in planning, producing,
21 marketing, farm mechanics, conservation of resources,
22 food conservation, farm financing, farming manage-
23 ment, and the keeping of farm and home accounts.

24 (4) The eligible veteran will receive not less than

1 one hundred hours of individual instruction per year, not
2 less than fifty hours of which shall be on such farm or
3 other agricultural establishment (with at least two visits
4 by the instructor to such farm each month). Such indi-
5 vidual instruction shall be given by the instructor re-
6 sponsible for the veteran's institutional instruction and
7 shall include instruction and home-study assignments in
8 the preparation of budgets, inventories, and statements
9 showing the production, use on the farm, and sale of
10 crops, livestock, and livestock products.

11 (5) The eligible veteran will be assured of con-
12 trol of such farm or other agricultural establishment
13 (whether by ownership, lease, management agreement,
14 or other tenure arrangement) until the completion of his
15 course.

16 (6) Such farm or other agricultural establishment
17 shall be of a size and character which (A) will, to-
18 gether with the group-instruction part of the course,
19 occupy the full time of the eligible veteran, (B) will
20 permit instruction in all aspects of the management of
21 the farm or other agricultural establishment of the type
22 for which the eligible veteran is being trained, and will
23 provide the eligible veteran an opportunity to apply to
24 the operation of his farm or other agricultural establish-
25 ment the major portion of the farm practices taught in

1 the group instruction part of the course, and (C) will
2 assure him a satisfactory income for a reasonable living
3 under normal conditions at least by the end of his course.

4 (7) Provision shall be made for certification by the
5 institution and the veteran that the training offered does
6 not repeat or duplicate training previously received by
7 the veteran.

8 (8) The institutional on-farm training meets such
9 other fair and reasonable standards as may be established
10 by the State approving agency.

11 APPROVAL OF ACCREDITED COURSES

12 SEC. 253. (a) A State approving agency may approve
13 the courses offered by an educational institution when—

14 (1) such courses have been accredited and ap-
15 proved by a nationally recognized accrediting agency or
16 association;

17 (2) credit for such course is approved by the State
18 department of education for credit toward a high school
19 diploma;

20 (3) such courses are conducted under the Act of
21 February 23, 1917, as amended (39 Stat. 927), or the
22 Vocational Education Act of 1946; or

23 (4) such courses are accepted by the State depart-
24 ment of education for credit for a teacher's certificate or
25 a teacher's degree.

1 For the purposes of this title the Commissioner shall publish
2 a list of nationally recognized accrediting agencies and asso-
3 ciations which he determines to be reliable authority as to
4 the quality of training offered by an educational institution
5 and the State approving agencies may, upon concurrence,
6 utilize the accreditation of such accrediting associations or
7 agencies for approval of the courses specifically accredited
8 and approved by such accrediting association or agency. In
9 making application for approval, the institution shall transmit
10 to the State approving agency copies of its catalog or bulletin.

11 (b) As a condition to approval under this section, the
12 State approving agency must find that adequate records are
13 kept by the educational institution to show the progress of
14 each eligible veteran. The State approving agency must
15 also find that the educational institution maintains a written
16 record of the previous education and training of the veteran
17 and clearly indicates that appropriate credit has been given
18 by the institution for previous education and training, with
19 the training period shortened proportionately and the veteran
20 and the Administrator so notified.

21 APPROVAL OF NONACCREDITED COURSES

22 SEC. 254. (a) No course of education or training
23 (other than a course of institutional on-farm training) which
24 has not been approved by a State approving agency pursuant
25 to section 253, which is offered by a public or private, profit

1 or nonprofit, educational institution shall be approved for the
2 purposes of this title unless the educational institution offering
3 such course submits to the appropriate State approving
4 agency a written application for approval of such course in
5 accordance with the provisions of this title.

6 (b) Such application shall be accompanied by not less
7 than two copies of the current catalog or bulletin which is
8 certified as true and correct in content and policy by an
9 authorized owner or official and includes the following:

10 (1) Identifying data, such as volume number and
11 date of publication;

12 (2) Names of the institution and its governing
13 body, officials and faculty;

14 (3) A calendar of the institution showing legal holi-
15 days, beginning and ending date of each quarter, term,
16 or semester, and other important dates;

17 (4) Institution policy and regulations on enroll-
18 ment with respect to enrollment dates and specific en-
19 trance requirements for each course;

20 (5) Institution policy and regulations relative to
21 leave, absences, class cuts, make-up work, tardiness and
22 interruptions for unsatisfactory attendance;

23 (6) Institution policy and regulations relative to
24 standards ~~(62)~~ of progress required of the student by
25 the institution (this policy will define the grading system

1 of the institution, the minimum grades considered satis-
2 factory, conditions for interruption for unsatisfactory
3 grades or progress and a description of the probationary
4 period, if any, allowed by the institution, and conditions
5 of reentrance for those students dismissed for unsatis-
6 factory progress. A statement will be made regarding
7 progress records kept by the institution and furnished
8 the student) ;

9 (7) Institution policy and regulations relating to
10 student conduct and conditions for dismissal for unsatis-
11 factory conduct ;

12 (8) Detailed schedule of fees, charges for tuition,
13 books, supplies, tools, student activities, laboratory fees,
14 service charges, rentals, deposits, and all other charges ;

15 (9) Policy and regulations of the institution relative
16 to the refund of the unused portion of tuition, fees, and
17 other charges in the event the student does not enter
18 the course or withdraws or is discontinued therefrom ;

19 (10) A description of the available space, facilities,
20 and equipment ;

21 (11) A course outline for each course for which ap-
22 proval is requested, showing subjects or units in the
23 course, type of work or skill to be learned, and approxi-
24 mate time and clock hours to be spent on each subject
25 or unit ; and

1 (12) Policy and regulations of the institution rela-
2 tive to granting credit for previous educational training.

3 (c) The appropriate State approving agency may ap-
4 prove the application of such institution when the institution
5 and its nonaccredited courses are found upon investigation
6 to have met the following criteria:

7 (1) The courses, curriculum, and instruction are
8 consistent in quality, content, and length with similar
9 courses in public schools and other private schools in the
10 State, with recognized accepted standards.

11 (2) There is in the institution adequate space,
12 equipment, instructional material, and instructor per-
13 sonnel to provide training of good quality.

14 (3) Educational and experience qualifications of
15 directors, administrators, and instructors are adequate.

16 (4) The institution maintains a written record of
17 the previous education and training of the veteran and
18 clearly indicates that appropriate credit has been given
19 by the institution for previous education and training,
20 with the training period shortened proportionately and
21 the veteran and the Administrator so notified.

22 (5) A copy of the course outline, schedule of
23 tuition, fees, and other charges, regulations pertaining to
24 absences, grading policy, and rules of operation and
25 conduct will be furnished the veteran upon enrollment.

1 (6) Upon completion of training, the veteran is
2 given a certificate by the institution indicating the ap-
3 proved course and indicating that training was satis-
4 factorily completed.

5 (7) Adequate records as prescribed by the State
6 approving agency are kept to show attendance and
7 progress or grades, and satisfactory standards relating
8 to attendance, progress, and conduct are enforced.

9 (8) The institution complies with all local, city,
10 county, municipal, State, and Federal regulations, such
11 as fire codes, building and sanitation codes. The State
12 approving agency may require such evidence of com-
13 pliance as is deemed necessary.

14 (9) The institution is financially sound and capable
15 of fulfilling its commitments for training.

16 (10) The institution does not utilize advertising of
17 any type which is erroneous or misleading, either by
18 actual statement, omission, or intimation. The institu-
19 tion shall not be deemed to have met this requirement
20 until the State approving agency (1) has ascertained
21 from the Federal Trade Commission whether the Com-
22 mission has issued an order to the institution to cease
23 and desist from any act or practice, and (2) has,
24 if such an order has been issued, given due weight to
25 that fact.

(11) The institution does not exceed its enrollment limitations as established by the State approving agency.

(12) The institution's administrators, directors, owners, and instructors are of good reputation and character.

(13) The institution has and maintains a policy for the refund of the unused portion of tuition, fees, and other charges in the event the ~~((63))student~~ *veteran* fails to enter the course or withdraws or is discontinued therefrom at any time prior to completion and such policy must provide that the amount charged to the ~~((64))student~~ *veteran* for tuition, fees, and other charges for a portion of the course shall not exceed the approximate pro rata portion of the total charges for tuition, fees, and other charges that the length of the completed portion of the course bears to its total length.

(14) Such additional criteria as may be deemed necessary by the State approving agency.

NOTICE OF APPROVAL OF COURSES

SEC. 255. The State approving agency, upon determining that an educational institution has complied with all the requirements of this title, will issue a letter to such institution setting forth the courses which have been approved for the purposes of this title, and will furnish an official copy of such

1 letter and any subsequent amendments to the Administrator.
2 The letter of approval shall be accompanied by a copy of the
3 catalog or bulletin of the institution, as approved by the State
4 approving agency, and shall contain the following infor-
5 mation:

6 (1) date of letter and effective date of approval
7 of courses;

8 (2) proper address and name of each educational
9 institution or training establishment;

10 (3) authority for approval and conditions of ap-
11 proval, referring specifically to the approved catalog
12 or bulletin published by the educational institution;

13 (4) name of each course approved;

14 (5) where applicable, enrollment limitations such
15 as maximum numbers authorized and student-teacher
16 ratio;

17 (6) signature of responsible official of State ap-
18 proving agency; and

19 (7) such other fair and reasonable provisions as are
20 considered necessary by the appropriate State approving
21 agency.

22 DISAPPROVAL OF COURSES AND DISCONTINUANCE OF

23 ALLOWANCES

24 SEC. 256. (a) Any course approved for the purposes
25 of this title which fails to meet any of the requirements

1 of this title shall be immediately disapproved by the appro-
2 priate State approving agency. An educational institution
3 or training establishment which has its courses disapproved
4 by a State approving agency will be notified of such dis-
5 approval by a registered letter of notification and a return
6 receipt secured.

7 (b) The Administrator may discontinue the education
8 and training allowance of any eligible veteran if he finds
9 that the course of education or training in which such veteran
10 is enrolled fails to meet any of the requirements of this title
11 or if he finds that the educational institution or training
12 establishment offering such course has violated any provision
13 of this title or fails to meet any of its requirements.

14 (c) Each State approving agency shall notify the Ad-
15 ministrator of each course which it has disapproved under
16 this section. The Administrator shall notify the State ap-
17 proving agency of his disapproval of any educational institu-
18 tion or training establishment under part VII of Veterans
19 Regulation Numbered 1 (a), as amended.

20 PART VII—MISCELLANEOUS PROVISIONS

21 AUTHORITY AND DUTIES OF ADMINISTRATOR

22 SEC. 261. (a) The Administrator is authorized to pre-
23 scribe, promulgate, and publish such rules and regulations
24 as are consistent with the provisions of this title and neces-
25 sary to carry out its purposes. Notwithstanding the pro-

1 visions of section 11 of the Act of October 17, 1940, as
2 amended (54 Stat. 1193), payments under this title shall
3 be subject to audit and review by the General Accounting
4 Office as provided by the Budget and Accounting Act of
5 1921, as amended, and the Budget and Accounting Pro-
6 cedures Act of 1950.

7 (b) The Administrator is authorized to accept uncom-
8 pensated services and to enter into contracts or agreements
9 with private or public agencies, or persons, for necessary
10 services, incident to the administration of this title, includ-
11 ing personal services, as he may deem practicable.

12 (c) The Administrator may arrange for educational
13 and vocational guidance to persons eligible for educa-
14 tion and training under this title and, if the Administrator
15 requires such educational and vocational guidance, he is au-
16 thorized, in his discretion, to defray, or reimburse the veteran
17 for his traveling expenses to and from the place of advise-
18 ment. At such intervals as he deems necessary, he shall
19 make available information respecting the need for general
20 education and for trained personnel in the various crafts,
21 trades, and professions: *Provided*, That facilities of other
22 Federal agencies collecting such information shall be utilized
23 to the extent he deems practicable.

ADVISORY COMMITTEE

SEC. 262. The Administrator shall form an advisory committee which shall be composed of persons who are eminent in ~~(65)the field of education and are representative their~~ *respective fields of education, labor, and management, and of representatives* of the various types of institutions and establishments furnishing education and training to veterans enrolled under this title. The Commissioner ~~(66)and the Secretary~~ shall be ~~(67)an ex officio member~~ *ex-officio members* of the advisory committee. The Administrator shall advise and consult with the committee from time to time with respect to the administration of this title and the committee may make such reports and recommendations as it deems desirable to the Administrator and to the Congress.

CONTROL BY AGENCIES OF UNITED STATES

SEC. 263. No department, agency, or officer of the United States, in carrying out this title, shall exercise any supervision or control, whatsoever, over any State approving agency, State educational agency, or State apprenticeship agency, or any educational institution or training establishment: *Provided*, That nothing in this section shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or con-

1 trol which such department, agency, or officer is author-
2 ized, by existing provisions of law, to exercise over any Fed-
3 eral educational institution or training establishment, or to
4 prevent the furnishing of education or training under this
5 title in any institution or establishment over which super-
6 vision or control is exercised by such other department,
7 agency, or officer under authority of existing provisions of
8 law.

9

CONFLICTING INTERESTS

10 SEC. 264. (a) Every officer or employee of the Vet-
11 erans' Administration (68)er of the Office of Education, who
12 has, while such an officer or employee, owned any interest in,
13 or received any wages, salary, dividends, profits, gratuities, or
14 services from, any educational institution operated for profit
15 in which an eligible veteran was pursuing a course of educa-
16 tion or training under this title shall be immediately dis-
17 missed from his office or employment.

18 (b) If the Administrator finds that any person who is
19 an officer or employee of a State approving agency has,
20 while he was such an officer or employee, owned any interest
21 in, or received any wages, salary, dividends, profits, gratui-
22 ties, or services from, an educational institution operated for
23 profit in which an eligible veteran was pursuing a course
24 of education or training under this title, he shall discontinue
25 making payments under section 245 to such State approving

1 agency unless such agency shall, without delay, take such
2 steps as may be necessary to terminate the employment of
3 such person and such payments shall not be resumed while
4 such person is an officer or employee of the State approving
5 agency, or State Department of Veterans Affairs or State
6 Department of Education.

7 (c) A State approving agency shall not approve any
8 course offered by an educational institution operated for
9 profit and, if any such course has been approved, shall disap-
10 prove each such course, if it finds that any officer or employee
11 of the Veterans' ~~(69)Administration, the Office of Education,~~
12 *Administration* or the State approving agency owns an
13 interest in, or receives any wages, salary, dividends, profits,
14 gratuities, or services from, such institution.

15 ~~(70)~~(d) *The Administrator may waive in writing the ap-*
16 *plication of this section in the case of any officer or employee*
17 *of the Veterans' Administration or of a State approving*
18 *agency, if he finds that no detriment will result to the United*
19 *States or to eligible veterans by reason of such interest or*
20 *connection of such officer or employee.*

21 REPORTS BY INSTITUTIONS

22 SEC. 265. ~~(71)~~(a) Educational institutions and training
23 establishments shall, without delay, report to the Admin-
24 istrator in the form prescribed by him, the enrollment, inter-

1 ruption, and termination of the education or training of each
2 eligible veteran enrolled therein under this title.

3 (72)(b) *The Administrator shall pay to each educational*
4 *institution, which is required to submit reports and certifica-*
5 *tions to the Administrator under this title, an allowance for*
6 *each full-time eligible veteran or the pro-rata part thereof for*
7 *each part-time eligible veteran to assist the educational insti-*
8 *tution in defraying the expense of preparing and submitting*
9 *such reports and certifications. The amount of such allow-*
10 *ance for each such eligible veteran shall be determined by the*
11 *Administrator but shall be uniform with respect to all edu-*
12 *cational institutions. Such allowance shall be paid in such*
13 *manner and at such times as may be prescribed by the Ad-*
14 *ministrator, except that in the event any institution fails to*
15 *submit reports or certifications to the Administrator as re-*
16 *quired by this title, no allowance shall be paid to such insti-*
17 *tution for the month or months during which such reports or*
18 *certifications were not submitted as required by the Admin-*
19 *istrator.*

20 OVERPAYMENTS TO VETERANS

21 SEC. 266. In any case where it is found by the Adminis-
22 trator that an overpayment has been made to a veteran
23 as the result of (1) the willful or negligent failure of the
24 educational institution or training establishment to report,
25 as required by this title and applicable regulations, to the

1 Veterans' Administration excessive absences from a course,
2 or discontinuance or interruption of a course by the veteran
3 or (2) false certification by the educational institution or
4 training establishment, the amount of such overpayment
5 shall constitute a liability of such institution or estab-
6 lishment, and may be recovered in the same manner
7 as any other debt due the United States: *Provided*,
8 That any amount so collected shall be reimbursed if the over-
9 payment is recovered from the veteran. This provision shall
10 not preclude the imposition of any civil or criminal action
11 under this or any other statute.

12 EXAMINATION OF RECORDS

13 SEC. 267. The records and accounts of educational in-
14 stitutions and training establishments pertaining to eligible
15 veterans who received education or training under this title
16 shall be available for examination by duly authorized repre-
17 sentatives of the Government.

18 FALSE OR MISLEADING STATEMENTS

19 SEC. 268. The Administrator shall not make any pay-
20 ments under this title to any person found by him to have
21 willfully submitted any false or misleading claims. In each
22 case where the Administrator finds that an educational insti-
23 tution or training establishment has willfully submitted a false
24 or misleading claim, or where a veteran, with the complicity
25 of an educational institution or training establishment, has

1 submitted such a claim, he shall make a complete report of
2 the facts of the case to the appropriate State approving
3 agency and where deemed advisable to the Attorney General
4 of the United States for appropriate action.

5 CRIMINAL PENALTIES (73) ~~AND FORFEITURES~~

6 SEC. 269. Whoever knowingly and willfully—

7 (1) makes or presents any false, fictitious, or
8 fraudulent affidavit, declaration, certificate, voucher,
9 endorsement, or paper or writing purporting to be such,
10 concerning any claim for payment under this title, or
11 pertaining to any matter arising under this title,

12 (2) makes or presents any paper required under
13 this title on which paper a date other than the date
14 upon which it was actually signed or acknowledged by
15 the claimant has been willfully inserted,

16 (3) certifies falsely that the declarant, affiant, or
17 witness named in such affidavit, declaration, voucher,
18 endorsement, or other paper or writing personally ap-
19 peared before him and was sworn thereto, or acknowl-
20 edged the execution thereof, or

21 (4) accepts and converts to his own use payments
22 for any period during which he was not actually pur-
23 suing a course of education or training under this title
24 for which period payment was made,

(74) shall forfeit all rights, claims, and benefits under this title and under Public Law 2, Seventy-third Congress, as amended, and, upon conviction, shall be fined not more than \$500 or imprisoned not more than six months, or both. Any person not subject to the forfeiture provisions of this section who violates this section shall be fined not more than \$5,000 or imprisoned not more than three years, or both.

APPLICATION OF OTHER LAWS

SEC. 270. The provisions of Public Law Numbered 262, Seventy-fourth Congress, approved August 12, 1935 (49 Stat. 607), as amended, (75) *the provisions of section 15 of Public Law Numbered 2, Seventy-third Congress, as amended, the provisions of section 12 of Public Law Numbered 144, Seventy-eighth Congress, approved July 13, 1943 (57 Stat. 557), as amended, and the provisions of titles II and III of Public Law Numbered 844, Seventy-fourth Congress, approved June 29, 1936, as amended, shall be for application under this title.*

WAIVER OF RECOVERY OF OVERPAYMENTS

SEC. 271. There shall be no recovery of payments of education and training allowance made under this title from any person who, in the judgment of the Administrator, is without fault on his part and where, in the judgment of the Administrator, such recovery would defeat the purpose of

1 benefits otherwise authorized or would be against equity and
 2 good conscience. No disbursing officer or certifying officer
 3 shall be held liable for any amount paid to any person where
 4 the recovery of such amount is waived under this section.

5 INFORMATION FURNISHED BY FEDERAL TRADE
 6 COMMISSION

7 SEC. 272. The Federal Trade Commission shall keep all
 8 State approving agencies advised of any information coming
 9 to its attention which would be of assistance to such agencies
 10 in carrying out their duties under this title.

11 EFFECTIVE DATE

12 SEC. 273. This title shall take effect on the date of its
 13 enactment, except that no education and training allowance
 14 shall be paid for any period prior to ~~(76)September~~ August
 15 1, 1952.

16 ~~(77)~~APPROPRIATIONS

17 SEC. 274. *The appropriations for the Veterans' Admin-*
 18 *istration under the headings "Administration, medical, hos-*
 19 *pital and domiciliary services" and "Readjustment benefits"*
 20 *are hereby made available for expenditures necessary to carry*
 21 *out the provisions of this title, and there is hereby authorized*
 22 *to be appropriated such additional amounts as may be neces-*
 23 *sary to accomplish the purposes of this title.*

TITLE III—LOANS

PERSONS ELIGIBLE FOR LOANS

SEC. (78)340 301. Subsection (a) of section 500 of the Servicemen's Readjustment Act of 1944, as amended, is amended—

(1) by inserting after "war" in the first sentence the following: ", or at any time on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress,";

(79)(2) by inserting before the period at the end of the first sentence the following: "*Provided*, That any person who is eligible for the benefits of this title by virtue of active service prior to June 27, 1950, or is the owner of property acquired through benefits accruing for prior service, shall not be eligible for additional benefits under this title by reason of active service on or after June 27, 1950: *Provided further*, That any guaranty entitlement used prior to reentry into service as to which the Administrator has incurred no loss and is no longer subject to contingent liability shall be restored to any veteran separated from the service after June 27, 1950"; and

(2) by inserting after the first sentence the follow-

ing: “Entitlement derived from service on or after June 27, 1950, shall (1) cancel any unused entitlement derived from service prior to June 27, 1950, and (2) be reduced by the amount entitlement from such prior service shall have been used to obtain a direct, guaranteed, or insured loan (a) on real property which the veteran owns at the time of application or (b) as to which the Administrator shall have incurred actual liability or loss, unless in the event of loss or the incurrence and payment of such liability by the Administrator, the resultant indebtedness of the veteran to the Government shall have been paid in full.”; and

(3) by inserting after “war” in the ~~(80)~~third sentence fourth sentence of such subsection, as amended by this section, the following: “, and any loan to a veteran eligible by virtue of active service on or after June 27, 1950, if made within ten years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress,”.

POWER OF ADMINISTRATOR TO EXAMINE LOANS

SEC. 302. Section 500 of the Servicemen’s Readjustment Act of 1944, as amended, is amended by adding at the end thereof the following new subsection:

“(f) Notwithstanding the provisions in this title respecting automatically guaranteed loans, the Administrator

1 may at any time upon thirty days' notice require loans to be
 2 made by any lender or class of lenders to be submitted for
 3 prior approval, and no guaranty or insurance liability shall
 4 exist in respect to such loans unless evidence of guaranty or
 5 insurance is issued by the Administrator."

6 ADDITIONAL REQUIREMENT FOR GUARANTEED LOANS

7 SEC. 303. Section 501 (a) (2) of the Servicemen's
 8 Readjustment Act of 1944, as amended, is amended by in-
 9 serting after "expenses" the following: " , and the veteran is
 10 a satisfactory credit risk".

11 STANDARDS OF PLANNING AND CONSTRUCTION ~~(81)~~; ~~WAR-~~
 12 ~~RANTIES~~; ~~SUBSTANTIAL DEFICIENCIES IN HOUSING~~

13 SEC. 304. Section 504 of the Servicemen's Readjustment
 14 Act of 1944, as amended, is amended by striking out sub-
 15 section (b) and inserting in lieu thereof the following
 16 ~~(82)~~new subsections:

17 "(b) No loan for the purchase or construction of resi-
 18 dential property on which construction is begun subsequent
 19 to sixty days from the date the Veterans' Readjustment
 20 Assistance Act of 1952 becomes effective shall be financed
 21 through the assistance of the provisions of this title unless
 22 the property meets or exceeds minimum requirements for
 23 planning, construction, and general acceptability prescribed
 24 by the Administrator: *Provided*, That subsection 504 (b)
 25 as originally enacted shall continue to be applicable to con-

1 struction begun prior to the end of such sixty-day period:
2 *Provided further*, That this subsection shall not apply to a
3 loan for the purchase of residential property the construction
4 of which was completed more than one year prior to the
5 making of such loan.

6 (83)“(e) The seller of a newly constructed dwelling unit
7 which is sold for initial occupancy to any person who meets
8 the eligibility requirements of section 500 (a) or section
9 1506 of this Act, as amended, with the aid of financing
10 guaranteed or insured by an agency or instrumentality of
11 the Federal Government, and such other person as may be
12 required by such agency or instrumentality to become
13 warrantor, shall be deemed to have expressly warranted to
14 such purchaser that the dwelling is constructed in substantial
15 conformity with the plans and specifications on which such
16 agency or instrumentality based its valuation of the unit or
17 its commitment to guarantee or insure a loan to finance the
18 construction or purchase of such unit. Such warranty shall
19 apply only with respect to failures of performances as to
20 which the purchaser has given written notice to the war-
21 rantor within one year from the date of initial occupancy.

22 “(d) The Administrator shall have the right to refuse
23 to appraise any dwelling or housing project owned, spon-
24 sored, or to be constructed by any person identified with
25 housing previously sold to veterans under this title as to

1 which substantial deficiencies have been discovered, or as to
2 which there has been a failure or indicated inability to dis-
3 charge contractual liabilities to veterans, or as to which it is
4 ascertained that the type of contract of sale or the methods
5 or practices pursued in relation to the marketing of such
6 properties were unfair or unduly prejudicial to veteran
7 purchasers.”

8 ELIGIBILITY FOR LOANS TO REFINANCE EXISTING
9 LIABILITY

10 SEC. 305. Section 507 (1) of the Servicemen's Read-
11 justment Act of 1944, as amended, is amended by inserting
12 before the semicolon at the end thereof the following: “or,
13 in the case of a veteran eligible by virtue of active service on
14 or after June 27, 1950, not later than ten years after such
15 date as shall be determined by Presidential proclamation or
16 concurrent resolution of the Congress”.

17 EXPIRATION OF AUTHORITY TO MAKE DIRECT LOANS

18 SEC. 306. Section 512 (b) of the Servicemen's Read-
19 justment Act of 1944, as amended, is amended by striking
20 out “(D)” and inserting in lieu thereof “(C)” and by
21 inserting before the period at the end thereof the following:
22 “, except that if a commitment to make such a loan was
23 issued by the Administrator prior to that date the loan may
24 be completed subsequent to such date”.

(84) REFUSAL TO GUARANTEE OR INSURE LOANS IN
CERTAIN CASES

3 SEC. 307. Title III of the Servicemen's Readjustment
4 Act of 1944, as amended, is amended by adding at the end
5 thereof the following new section:

6 “SEC. 514. Whenever the Administrator finds with re-
7 spect to loans guaranteed or insured under this title that any
8 lender or holder has failed to maintain adequate loan ac-
9 counting records, or to demonstrate proper ability to service
10 loans adequately or to exercise proper credit judgment or has
11 willfully or negligently engaged in practices otherwise detri-
12 mental to the interest of veterans or of the Government, he
13 may refuse either temporarily or permanently to guarantee
14 or insure any loans made by such lender or holder or bar
15 such lender or holder from acquiring loans guaranteed or
16 insured under this title: *Provided*, That the Administrator
17 shall not refuse to pay a guarantee on loans theretofore
18 entered into in good faith between the veteran and the lend-
19 ing institution.”

(85)TITLE IV—OLD AGE AND SURVIVORS
INSURANCE

22 ~~WAGE CREDITS FOR VETERANS OF KOREAN CONFLICT~~

23 SEC. 401. (a) Section 217 of the Social Security Act
24 is amended by adding at the end thereof the following new
25 subsection:

1 ~~“(c) (1)~~ For the purposes of determining entitlement to
2 and the amount of any monthly benefit or lump-sum death
3 payment payable under this title on the basis of the
4 wages and self-employment income of any veteran of active
5 military or naval service on or after June 27, 1950, such
6 veteran shall be deemed to have been paid wages (in addi-
7 tion to the wages, if any, actually paid to him) of \$160 in
8 each month during any part of which he served in the active
9 military or naval service of the United States on or after
10 June 27, 1950, and prior to such date as shall be determined
11 by Presidential proclamation or concurrent resolution of the
12 Congress. This subsection shall not be applicable in the case
13 of any monthly benefit or lump-sum death payment if—

14 ~~“(A)~~ a larger such benefit or payment, as the case
15 may be, would be payable without its application; or

16 ~~“(B)~~ a benefit (other than a benefit payable in a
17 lump sum unless it is a commutation of, or a substitute
18 for, periodic payments) which is based, in whole or in
19 part, upon the active military or naval service of such
20 veteran on or after June 27, 1950, and prior to such
21 date as shall be determined by Presidential proclamation
22 or concurrent resolution of the Congress, is determined
23 by any agency or wholly owned instrumentality of the
24 United States (other than the Veterans' Administration)
25 to be payable by it under any other law of the United

1 States or under a system established by such agency or
2 instrumentality.

3 The provisions of clause (B) shall not be applicable in the
4 case of any monthly benefit or lump-sum death payment
5 under this title if its application would reduce the primary
6 insurance amount (as computed under section 215 prior to
7 any recomputation thereof pursuant to subsection (f) of such
8 section) of the individual on whose wages and self-employ-
9 ment income such benefit or payment is based by \$0.50
10 or less.

11 “(2) Upon application for benefits or a lump-sum death
12 payment on the basis of the wages and self-employment in-
13 come of any veteran of active military or naval service on
14 or after June 27, 1950, the Federal Security Administrator
15 shall make a decision without regard to clause (B) of para-
16 graph (1) of this subsection unless he has been notified by
17 some other agency or instrumentality of the United States
18 that, on the basis of the military or naval service of such
19 veteran on or after June 27, 1950, and prior to such date
20 as shall be determined by Presidential proclamation or con-
21 current resolution of the Congress, a benefit described in
22 clause (B) of paragraph (1) has been determined by such
23 agency or instrumentality to be payable by it. If he has not
24 been so notified, the Federal Security Administrator shall
25 then ascertain whether some other agency or wholly owned

1 instrumentality of the United States has decided that a bene-
2 fit described in clause (B) of paragraph (1) is payable by
3 it. If any such agency or instrumentality has decided, or
4 thereafter decides, that such a benefit is payable by it, it
5 shall so notify the Federal Security Administrator, and the
6 Administrator shall certify no further benefits for payment
7 or shall recompute the amount of any further benefits pay-
8 able, as may be required by paragraph (1) of this
9 subsection.

10 “(3) Any agency or wholly owned instrumentality of
11 the United States which is authorized by any law of the
12 United States to pay benefits, or has a system of benefits
13 which are based, in whole or in part, on military or naval
14 service on or after June 27, 1950, and prior to such date
15 as shall be determined by Presidential proclamation or con-
16 current resolution of the Congress, shall, at the request of the
17 Federal Security Administrator, certify to him, with respect
18 to any veteran of active military or naval service on or after
19 June 27, 1950, such information as the Administrator deems
20 necessary to carry out his functions under paragraph (2)
21 of this subsection.

22 “(4) There are hereby authorized to be appropriated
23 to the Trust Fund from time to time, as benefits which in-
24 clude service to which this subsection is applicable become
25 payable under this title, such sums as the Administrator es-

1 estimates to be necessary to meet the additional costs, result-
 2 ing from this subsection, of such benefits (including lump-
 3 sum death payments). Such estimates shall be arrived at
 4 through the use of appropriate accounting, statistical, sam-
 5 pling, or other methods.

6 “(5) For the purposes of this subsection, the term ‘vet-
 7 eran’ means any individual who served in the active military
 8 or naval service of the United States at any time on or after
 9 June 27, 1950, and prior to such date as shall be determined
 10 by Presidential proclamation or concurrent resolution of the
 11 Congress, and who, if discharged or released therefrom, was
 12 so discharged or released under conditions other than dis-
 13 honorable after active service of ninety days or more or by
 14 reason of a disability or injury incurred or aggravated in
 15 service in line of duty; but such term shall not include any
 16 individual who died while in the active military or naval serv-
 17 ice of the United States if his death was inflicted (other than
 18 by an enemy of the United States) as lawful punishment for
 19 a military or naval offense.”

20 (b) Section 205 (o) of such Act is amended by striking
 21 out “section 217 (a)” and inserting in lieu thereof “subsec-
 22 tion (a) or (c) of section 217”.

23 (c) (1) The amendments made by subsections (a) and
 24 (b) shall be applicable only with respect to monthly bene-
 25 fits under section 202 of the Social Security Act for months

1 after, and with respect to lump-sum death payments in the
2 case of deaths occurring after, the month following the month
3 in which this Act is enacted, except that, in the case of any
4 individual who is entitled, on the basis of the wages and self-
5 employment income of any individual to whom section
6 217 (c) of the Social Security Act applies, to monthly
7 benefits under such section 202 for the month following
8 the month in which this Act is enacted, such amendments
9 shall be applicable (A) only if an application for recompu-
10 tation by reason of the amendments is filed by such individual,
11 or any other individual, entitled to benefits under such
12 section 202 on the basis of such wages and self-employment
13 income, and (B) only with respect to such benefits for
14 months after whichever of the following is the later: the first
15 month following the month in which this Act is enacted or
16 the seventh month before the month in which such applica-
17 tion was filed. Recomputations of benefits as required to
18 carry out the provisions of this paragraph shall be made
19 notwithstanding the provisions of section 215 (f) (1) of
20 the Social Security Act; but no such recomputation shall be
21 regarded as a recomputation for purposes of section 215
22 (f) of the Social Security Act.

23 (2) In the case of any veteran (as defined in section
24 217 (c) (5) of the Social Security Act) who died prior
25 to the enactment of this Act, the time within which proof

1 of support may be filed under subsection ~~(f)~~ or ~~(h)~~ of
 2 section 202 of the Social Security Act shall be two years
 3 after the date of enactment of this Act.

4 **(86) LUMP-SUM DEATH PAYMENTS FOR REINTERMENT OF**
 5 **DECEASED VETERANS**

6 SEC. 402. ~~(a)~~ Section 101 ~~(d)~~ of the Social Security
 7 Act Amendments of 1950 is amended by changing the period
 8 at the end thereof to a comma and adding: "and except that
 9 in the case of any individual who died outside the forty-eight
 10 States and the District of Columbia on or after June 27,
 11 1950, and prior to September 1950, whose death oc-
 12 curred while he was in the active military or naval service
 13 of the United States, and who is returned to any of such
 14 States, the District of Columbia, Alaska, Hawaii, Puerto
 15 Rico, or the Virgin Islands for interment or reinterment,
 16 the last sentence of section 202 ~~(g)~~ of the Social Security
 17 Act as in effect prior to the enactment of this Act shall
 18 not prevent payment to any person under the second sen-
 19 tence thereof if application for a lump-sum death payment
 20 under such section with respect to such deceased individual
 21 is filed by or on behalf of such person ~~(whether or not~~
 22 ~~legally competent)~~ prior to the expiration of two years
 23 after the date of such interment or reinterment."

24 ~~(b)~~ In the case of any individual who died outside the
 25 forty-eight States and the District of Columbia after August

1 1950 and prior to such date as shall be determined by Presi-
2 dential proclamation or concurrent resolution of the Congress,
3 whose death occurred while he was in the active military or
4 naval service of the United States, and who is returned to any
5 of such States, the District of Columbia, Alaska, Hawaii,
6 Puerto Rico, or the Virgin Islands for interment or reinter-
7 ment, the last sentence of section 202 (i) of the Social
8 Security Act shall not prevent payment to any person under
9 the second sentence thereof if application for a lump-sum
10 death payment with respect to such deceased individual is
11 filed under such section by or on behalf of such person
12 (whether or not legally competent) prior to the expiration of
13 two years after the date of such interment or reinterment.

14 (87) *TITLE IV—VETERANS UNEMPLOYMENT*
15 *COMPENSATION*

16 (88) *ELIGIBILITY*

17 *SEC. 401. (a) Any person who shall have served in the*
18 *active military or naval service of the United States at any*
19 *time after June 27, 1950, and prior to such date as shall be*
20 *determined by Presidential proclamation or concurrent reso-*
21 *lution of the Congress and who shall have been discharged*
22 *or released from active service under conditions other than*
23 *dishonorable, after active service of ninety days or more, or*
24 *by reason of an injury or disability incurred in service in line*
25 *of duty, shall be entitled, in accordance with the provisions*

1 of this title and regulations issued by the Administrator of
2 Veterans' Affairs pursuant thereto, to receive veterans
3 unemployment compensation as provided herein for each
4 week of unemployment, not to exceed the total allow-
5 able under section 502, which (1) begins after the ninetieth
6 day after the date of enactment hereof or the ninetieth day
7 after the date of his discharge or release, whichever date is
8 later, and (2) occurs not later than fifteen months after such
9 later date: Provided, That no such compensation shall be
10 paid for any period for which he receives an education and
11 training allowance under title II: Provided further, That no
12 such compensation shall be payable for any week commencing
13 more than five years after the date so determined by Presi-
14 dential proclamation or concurrent resolution of the Congress.

15 (b) Such persons shall be deemed eligible to receive
16 compensation for any week of unemployment if a claim
17 is made and it is found that he meets all the eligibility
18 requirements (except the requirement that he shall have
19 earned certain amounts of wages in insured employment)
20 under the unemployment compensation law of the State
21 in which he resided immediately prior to his entrance into
22 the active military or naval service. Any such claim
23 shall be processed and paid by such State (hereinafter
24 referred to as the "paying State") pursuant to agree-

1 ment entered into under section 505 (a), but may be
2 accepted by any State unemployment compensation office
3 for processing and payment by the paying State.

4 **(89)AMOUNT OF COMPENSATION AND PAYMENT**

5 SEC. 402 (a) The compensation for a week shall be
6 an amount equal to the maximum benefit including de-
7 pendency allowances which may be paid to a person eligible
8 therefor under the unemployment compensation law of the
9 State in which the veteran resided immediately prior to his
10 entrance into the active military or naval service.

11 (b) The number of weeks of compensation to which
12 each eligible veteran shall be entitled shall be the maximum
13 number of weeks for which benefits may be paid to a person
14 eligible therefor under the unemployment compensation law
15 of the paying State.

16 **(90)SEC. 403. (a)** Veterans unemployment compensation
17 shall be paid at the intervals prescribed by the unemployment
18 compensation law of the paying State: Provided, That if
19 none are so prescribed veterans unemployment compensation
20 shall be paid at such reasonable intervals as may be deter-
21 mined by the Administrator.

22 (b) Any compensation certified to but remaining unpaid
23 upon the death of a claimant shall not be considered a part
24 of the assets of the estate of the claimant, or liable for the

1 *payment of his debts, or subject to any administration of his*
2 *estate, and the Administrator may make payment thereof to*
3 *such person or persons he finds most equitably entitled thereto.*

4 **(91) DUPLICATE BENEFITS PROHIBITED**

5 *SEC. 404. No compensation shall be payable to a claim-*
6 *ant under this title where, for the same period, the claimant*
7 *is eligible for an allowance or benefit under any Federal or*
8 *State unemployment compensation law or when he is dis-*
9 *qualified under the law of the paying State.*

10 **(92) ADMINISTRATION**

11 *SEC. 405. (a) The Administrator of Veterans' Affairs*
12 *is authorized to administer this title and shall, insofar as*
13 *possible, utilize existing facilities and services of Federal*
14 *and State departments or agencies on the basis of mutual*
15 *agreements with such departments or agencies. Such agree-*
16 *ments shall provide for the filing of claims for veterans'*
17 *unemployment compensation with the Administrator through*
18 *established public employment offices and State unemploy-*
19 *ment compensation agencies. Such agencies, through agree-*
20 *ment, shall also be utilized in the processing, adjustment,*
21 *and determination of such claims and the payment of such*
22 *compensation.*

23 *(b) The Administrator, consistent with the provisions*
24 *of this title, shall prescribe such rules and regulations and*
25 *require such records and reports as he may find necessary*

1 to carry out its purposes: Provided, however, That coopera-
2 tive rules and regulations relating to the performance by
3 Federal or State departments, or agencies, of functions under
4 agreements made therewith may be made by the Adminis-
5 trator after consultation and advisement with representatives
6 of such departments or agencies.

7 (c) The Administrator may delegate to any officer or
8 employee of his own or of any cooperating department or
9 agency of any State such as his powers and duties, except
10 that of prescribing rules and regulations, as the Adminis-
11 trator may consider necessary and proper to carry out the
12 purposes of this title.

13 (d) Compensation paid by the cooperating State agencies
14 shall be repaid upon certification by the Administrator.
15 The Secretary of the Treasury, through the Division of
16 Disbursement of the Treasury, and without the necessity of
17 audit and settlement by the General Accounting Office, shall
18 pay monthly to the departments, agencies, or individuals
19 designated, the amounts so certified.

20 (e) The Administrator shall from time to time certify
21 to the Secretary of the Treasury for payment in advance or
22 otherwise such sums as he estimates to be necessary to com-
23 pensate any Federal department or agency for its administra-
24 tive expenses under this title. Such sums shall cover periods
25 of no longer than six months.

1 (f) The Administrator shall also from time to time
 2 certify to the Secretary of Labor such State departments
 3 or agencies as may be participating in the administration
 4 of this title, and the amount of the administrative expense
 5 incurred or to be incurred by a State under agreements made
 6 pursuant to this section. Upon such certification the Secre-
 7 tary of Labor shall certify such amount to the Secretary of
 8 the Treasury, in addition to the amount, if any, payable by
 9 the Secretary of Labor under the provisions of section 302
 10 (a) of the Social Security Act, as amended, and the addi-
 11 tional amount so certified shall be paid to each State by the
 12 Secretary of the Treasury out of the appropriation for the
 13 Veterans' Administration.

14 (g) Any money paid to any cooperating agency or
 15 person, which is not used for the purpose for which it was
 16 paid shall, upon termination of the period covered by such
 17 payment or the agreement with such agency or person, be
 18 returned to the Treasury and credited to the current appro-
 19 priation for carrying out the purpose of this title, or, if
 20 returned after the expiration of period covered by this title,
 21 shall be covered into the Treasury as miscellaneous receipts.

22 (93)SEC. 406. (a) No person designated by the Adminis-
 23 trator as a certifying officer shall, in the absence of gross

1 negligence, or intent to defraud the United States, be liable
2 with respect to the payment of any compensation certified by
3 him under this title.

4 (b) No disbursing officer shall, in the absence of gross
5 negligence, or intent to defraud the United States, be liable
6 with respect to any payment by him under this title if it was
7 based upon a voucher signed by a certifying officer designated
8 by the Administrator.

9 (94) SEC. 407. Any claimant whose claim for compensation
10 has been denied shall be entitled to a fair hearing before an
11 impartial tribunal of the State agency or such other agency
12 as may be designated by the Administrator. The represent-
13 ative of the Administrator located in each State shall be the
14 final appellate authority in regard to contested claims arising

15 (95) DECISIONS AND PROCEDURES

16 SEC. 408. The authority to issue subpoenas and provi-
17 sions for invoking aid of the courts of the United States in
18 case of disobedience thereto, to make investigations, and to
19 administer oaths, as contained in title III of the Act of June
20 29, 1936 (49 Stat. 2033-34; U. S. C., title 38, secs.
21 131-133), shall be applicable in the administration of this
22 title.

(96)PENALTIES

SEC. 409. Any claimant who knowingly accepts compensation to which he is not entitled shall be ineligible to receive any further allowance under this title.

(97)SEC. 410. (a) *Whoever, for the purpose of causing an increase in any compensation authorized under this title, or for the purpose of causing any compensation to be paid where none is authorized under this title, shall make or cause to be made any false statement or representation as to any wages paid or received, or whoever makes or causes to be made any false statement of a material fact in any claim for any compensation under this title, or whoever makes or causes to be made any false statement, representation, affidavit, or document in connection with such claim, shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than \$1,000 or imprisoned for not more than one year, or both.*

(b) *Whoever shall obtain or receive any money, check, or compensation under this title, without being entitled thereto and with intent to defraud the United States, shall be punished by a fine of not more than \$1,000 or by imprisonment for not more than one year, or both.*

(98) DEFINITIONS

SEC. 411. *As used in this title—*

(a) *The term “week” means such period or periods of seven consecutive calendar days as may be prescribed in regulations by the Administrator.*

(b) *The term “wages” means all remuneration for services from whatever sources, including commissions and bonuses and the cash value of all remuneration in any medium other than cash.*

TITLE V—MUSTERING OUT PAYMENTS

ELIGIBILITY FOR PAYMENTS

(99) SEC. 501. ~~Mustering-out pay as provided in this title is designed to be in lieu of any provision for unemployment insurance or readjustment (unemployment) allowances except that it is not the purpose to impair any rights to unemployment insurance which may be afforded under existing laws.~~

SEC. (100)502 501. (a) Except as provided in subsection (b) of this section, each member of the Armed Forces who shall have been engaged in active service on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the

1 Congress, and who is discharged or relieved from active
2 service under honorable conditions, shall be eligible to receive
3 mustering-out payment.

4 (b) No mustering-out payment shall be made to—

5 (1) any member of the Armed Forces who, at the
6 time of discharge or relief from active service, is in a
7 pay grade higher than O-3;

8 ~~(101)(2)~~ any member of the Armed Forces who is
9 retired or separated therefrom under provisions of law
10 other than title IV of the Career Compensation Act of
11 1949;

12 (2) any member of the Armed Forces who, at the
13 time of discharge or release from active service, is
14 entitled to severance pay or is transferred or returned to
15 the retired list with retired pay, retirement pay, retainer
16 pay, or equivalent pay, or to a status in which he receives
17 such pay: Provided, That this paragraph shall not
18 apply upon retirement or separation pursuant to title
19 IV of the Career Compensation Act of 1949;

20 (3) any member of the Armed Forces for any
21 active service performed prior to the date of his dis-
22 charge or relief from active service on his own initiative
23 to accept employment or, in the case of any member so
24 relieved from active service, for any active service per-
25 formed prior to the date of his discharge while in such

inactive status, unless he has served outside the continental limits of the United States or in Alaska;

(4) any member of the Armed Forces whose total period of service has been as a student assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians;

(5) any member of the Armed Forces for any active service performed prior to the date of his discharge from such forces for the purpose of entering the United States Military Academy, the United States Naval Academy, or the United States Coast Guard Academy;

(6) any member of the Armed Forces whose sole service has been as a cadet at the United States Military Academy or the United States Coast Guard Academy, or as a midshipman at the United States Naval Academy, or in a preparatory school after nomination as a principal, alternate, or candidate for admission to any of said Academies; (102)and

(7) any commissioned officer unless he is discharged or relieved from active service within three years after such date as shall be determined by Presidential proclamation or concurrent resolution of the (103)Congress. Congress; and

(104)(8) any member of the Armed Forces who is

1 *ordered to active service for the sole purpose of training*
 2 *duty or a physical examination, or for a period of less*
 3 *than sixty days.*

4 **(105)(c)** *A member of the Armed Forces who is eligible to*
 5 *receive mustering-out payments under this title and under the*
 6 *Mustering-Out Payment Act of 1944 for the same period of*
 7 *active service shall elect to receive such payment either under*
 8 *this title or such Act, but shall not be entitled to payment*
 9 *under both provisions of law.*

10 DETERMINATION OF PAYMENTS

11 SEC. **(106)**~~502~~ 502. (a) Mustering-out payment for
 12 persons eligible under section **(107)**~~502~~ 501 shall be in
 13 sums as follows:

14 (1) \$300 for persons who, having performed active
 15 service for sixty days or more, have served outside the con-
 16 tinental limits of the United States or in Alaska.

17 (2) \$200 for persons who, having performed active
 18 service for sixty days or more, have served no part thereof
 19 outside the continental limits of the United States or in
 20 Alaska.

21 (3) \$100 for persons who have performed active serv-
 22 ice for less than sixty days.

23 (b) Each person eligible to receive mustering-out pay-
 24 ment under subsection (a) (1) shall receive one-third of
 25 the stipulated amount at the time of final discharge or

1 ultimate relief from active service, or at the option of the
2 person so eligible, at the time of discharge or release for the
3 purpose of enlistment, reenlistment, or appointment in a
4 regular component of the Armed Forces; and the remaining
5 amount of such payment shall be paid in two equal install-
6 ments—one month and two months, respectively, from the
7 date of the original payment. Each person eligible to receive
8 mustering-out payment under subsection (a) (2) shall
9 receive one-half of the stipulated amount at the time of
10 final discharge or ultimate relief from active service or, at
11 the option of the person so eligible, at the time of discharge
12 or release for the purpose of enlistment, reenlistment, or
13 appointment in a regular component of the Armed Forces;
14 and the remaining amount of such payment shall be paid one
15 month from the date of the original payment. Each person
16 eligible to receive mustering-out payment under subsection
17 (a) (3) shall receive the stipulated amount at the time of
18 such discharge or relief from active service or, at the option
19 of the person so eligible, at the time of discharge or release
20 for the purpose of enlistment, reenlistment, or appointment
21 in a regular component of the Armed Forces. A person en-
22 titled to receive the first installment of the mustering-out
23 payment at the time of discharge or release for the purpose
24 of enlistment, reenlistment, or appointment in a regular com-
25 ponent of the Armed Forces shall, at his election, receive

1 the whole of such payment in one lump sum, rather than in
2 installments (108): *Provided, That this shall not be con-*
3 *strued to authorize payment of both such readjustment allow-*
4 *ance and such reenlistment allowances as may be provided by*
5 *other Acts.*

6 TIME LIMITATIONS

7 SEC. (109)~~504~~ 503. Any member of the Armed Forces
8 entitled to mustering-out payment who shall have been dis-
9 charged or relieved from active service under honorable
10 conditions before the effective date of this title shall, if
11 application therefore is made within two years after the
12 date of enactment of this title, be paid such mustering-out
13 payment by the Department of the Army, Navy, or Air
14 Force, or the Treasury Department, as the case may be,
15 beginning within one month after application has been re-
16 ceived and approved by such department. No member of
17 the Armed Forces shall receive mustering-out payment un-
18 der this title more than once, and such payment shall ac-
19 crue and the amount thereof shall be computed as of the
20 time of discharge for the purpose of effecting a perma-
21 nent separation from the service or of ultimate relief from
22 active service or, at the option of such member, for the
23 purpose of enlistment, reenlistment, or appointment in a
24 regular component of the Armed Forces.

DECEASED MEMBERS

1
2 SEC. ~~(110)~~ 504. If any member of the Armed Forces,
3 after his discharge or relief from active service, shall die
4 before receiving any portion of or the full amount of his
5 mustering-out payment, the balance of the amount due him
6 shall be payable, on appropriate application therefor, to his
7 surviving spouse, if any; and if he shall leave no surviving
8 spouse, then in equal shares to his child or children, if any;
9 and if he shall leave no surviving spouse or child or chil-
10 dren, then in equal shares to his surviving parents, if any.
11 No payments under this title shall be made to any other
12 person.

ADMINISTRATION OF TITLE

13
14 SEC. ~~(111)~~ 505. (a) Mustering-out payments due or
15 to become due under this title shall not be assignable and any
16 payments made to or on account of a veteran hereunder
17 shall be exempt from taxation, shall be exempt from the
18 claims of creditors, including any claim of the United States,
19 and shall not be subject to attachment, levy, or seizure by or
20 under any legal or equitable process whatever either before
21 or after receipt by the payee.

22 (b) The Secretaries of the Army, Navy, Air Force, and
23 Treasury shall make such regulations not inconsistent with
24 this title as may be necessary effectively to carry out the

1 provisions thereof, and their decisions shall be final and not
2 subject to review by any court or other Government official.

3 (c) The Secretaries of the Army, Navy, Air Force, and
4 Treasury, or such subordinate officers as they may designate,
5 are authorized to make direct payment to survivors over sev-
6 enteen years of age, and to select a proper person or persons
7 to whom mustering-out payments may be made for the use
8 and benefit of former active members of the Armed Forces, or
9 survivors thereof, as defined by section ~~(112)505~~ 405 hereof,
10 without the necessity of appointment by judicial proceedings
11 of a legal representative of any such former member or such
12 survivors when, in the opinion of the respective Secretaries
13 or their designees, the interests of persons under seventeen
14 years of age so justify, or where the former active member
15 or his survivors is suffering from a mental disability suf-
16 ficient to make direct payment not in the best interests of
17 such person or persons. Payments made under the provi-
18 sions of this subsection shall constitute a complete discharge
19 of the obligation of the United States as provided in this
20 title; and the selection of a proper person or persons, as
21 provided herein, and the correctness of the amount due and
22 paid to such person or persons shall have the same finality
23 as that accorded decisions made pursuant to subsection (b).

1 The provisions of this subsection shall not apply where a
 2 legal guardian or committee has been judicially appointed,
 3 except as to any payments made hereunder prior to the
 4 receipt of notice of appointment.

5 DEFINITIONS

6 SEC. ~~(113)~~507 506. As used in this title—

7 (a) The term “spouse” means a lawful wife or husband.

8 (b) The term “child” includes (1) a legitimate child;
 9 (2) a child legally adopted; and (3) a stepchild, if, at the
 10 time of death of the member of the Armed Forces, such
 11 stepchild was a member of the deceased’s household.

12 (c) The term “parent” includes father and mother,
 13 stepfather and stepmother, and father and mother through
 14 adoption.

15 (d) The term “Armed Forces” means the Army, the
 16 Navy, the Air Force, the Marine Corps, and the Coast Guard
 17 of the United States.

18 TITLE VI—MISCELLANEOUS

19 JOB COUNSELING AND EMPLOYMENT PLACEMENT

20 SEC. 601. Section 607 of title IV, Servicemen’s Re-
 21 adjustment Act of 1944, as amended (38 U. S. C. 695f), is
 22 hereby amended to read as follows:

23 “SEC. 607. The term ‘veteran’ as used in this title shall

1 mean a person who served in the active service of the Armed
2 Forces during a period of war in which the United States
3 has been, or is, engaged, or during the period on or after
4 June 27, 1950, and prior to such date as may be thereafter
5 determined by Presidential proclamation or concurrent reso-
6 lution of the Congress, and who has been discharged or re-
7 leased therefrom under conditions other than dishonorable.”

8 (114)SEC. 602. *Any person who served in the active mili-
9 tary, naval, or air service of the United States on and after
10 June 27, 1950, and prior to such date as may thereafter be
11 determined by Presidential proclamation or concurrent reso-
12 lution of the Congress, and who shall have been discharged or
13 released therefrom under conditions other than dishonorable
14 is hereby authorized to elect, purchase, and pursue such
15 courses of education or training as are provided by the
16 United States Armed Forces Institute. Such courses shall
17 be furnished to such person by such institute subject to the
18 same conditions, general requirements, and fees, as are ap-
19 plicable to persons in the active service: Provided, That an
20 application for such course, in the form specified by the
21 Secretary of Defense, shall be filed by such person with the
22 Director of the United States Armed Forces Institute within
23 two years after the date of the discharge or release of such
24 person from the active service.*

AUTHORIZATION OF APPROPRIATIONS

2 SEC. (115) 603. There are hereby authorized to be
3 appropriated such sums as may be necessary to carry out
4 this Act.

Passed the House of Representatives June 5, 1952.

Attest:

RALPH R. ROBERTS,
Clerk.

Passed the Senate with amendments June 28 (legislative day, June 27), 1952.

Attest: LESLIE L. BIFFLE,
Secretary.

AN ACT

To provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 28 (legislative day, JUNE 27), 1952

Ordered to be printed with the amendments of the
Senate numbered

"(b) The Under Secretary of Defense shall receive basic compensation at the rate of \$19,000 per annum.

"SUPPLY MANAGEMENT

"SEC. 637. (a) The Under Secretary of Defense shall advise and assist the Secretary of Defense in preparation and execution of a comprehensive program to integrate supply and service activities within and among the military departments, and shall perform such other duties as are prescribed by this title.

"(b) Subject to the authority, direction, and control of the Secretary of Defense, the Under Secretary shall—

"(1) develop standardized procedures and forms for supply and service functions;

"(2) eliminate duplication and overlapping within and among the supply activities of the military departments in the fields of production, procurement, warehousing, and distribution;

"(3) establish and operate depots for common items and other common supply and service installations throughout the United States;

"(4) develop unified logistics organizations overseas;

"(5) establish and operate a program to systematize scrap recovery, redistribution of excess materials, and surplus disposal, and coordinate such program within the Department of Defense and with those of other departments and agencies of the Government having responsibilities in these fields; and

"(6) develop plans for recruitment and training of a professional corps of supply personnel within the Department of Defense.

"TRANSFER OF FUNCTIONS

"SEC. 638. (a) There are hereby transferred to the Secretary of Defense—

"(1) all functions with respect to supply, including production, procurement, warehousing, and distribution, which are now or may hereafter be vested by law in any office, officer, board, bureau, service, commission, military department, or other organizational unit in or under any of the military departments;

"(2) all functions of the Munitions Board created by section 213 of this act, as amended; and

"(3) all functions of the Joint Chiefs of Staff created by section 211 of this act, as amended, with respect to procurement, production, warehousing, and distribution of supplies, including the duty of assigning logistic responsibilities to the military services.

"(b) Except as may be otherwise permitted under regulations issued pursuant to section 504 (c) of this title, the Secretary of Defense shall exercise the functions conveyed upon him by this title through the Under Secretary of Defense.

"APPROPRIATIONS FOR SUPPLY MANAGEMENT

"SEC. 639. (a) There are authorized to be appropriated to the Department of Defense such sums as may be necessary to carry out the provisions of this title, including the carrying out of functions transferred to the Secretary of Defense by this title.

"(b) During the fiscal year in which this title is enacted and for two fiscal years thereafter, the Secretary of Defense is authorized (1) to establish, under the jurisdiction of the Under Secretary of Defense, such new appropriation account or accounts as may be necessary to carry out the purposes of this title, and (2), with the approval of the President, to transfer to such new account or accounts such sums as may be necessary therefor from appropriations available to the military departments and other agencies of the Department of Defense for carrying out logistic, supply, and service functions: *Provided*, That no funds transferred pursuant

to this authority shall be available for any purposes other than those specified in the act appropriating such funds, and no funds so transferred shall be available for any period beyond that provided by the act appropriating such funds.

"(c) After the effective date of this section, and notwithstanding any other provision of law, no funds shall be obligated by any military department, agency, or officer in or under the Department of Defense, except the Under Secretary of Defense, to carry out any function transferred to the Secretary of Defense by this title: *Provided*, That the Under Secretary of Defense, with the approval of the Secretary of Defense, may issue regulations assigning responsibility for the performance of any such function to any military department or other agency or organizational unit in or under the Department of Defense, and the prohibition of this section shall not apply to the obligation of funds to carry out any function so assigned. Any such regulation shall be published in the Federal Register and a copy thereof shall be furnished to the General Accounting Office, and the appropriate committees of the Congress.

"SUPPLY PERSONNEL

"SEC. 640. (a) The Secretary of Defense is authorized and directed to transfer from the military departments and other agencies of the Department of Defense to the Under Secretary of Defense such civilian personnel as may be necessary to carry out the purposes of this title.

"(b) The Secretary of Defense is authorized and directed to detail to the Under Secretary of Defense such military personnel as may be necessary to carry out the purposes of this title.

"ABOLITION OF MUNITIONS BOARD

"SEC. 641. The Munitions Board, and the position of Chairman thereof, created by section 213 of this act, as amended, are hereby abolished, and such personnel and funds of the Board as the Secretary of Defense shall determine to be necessary to carry out the purposes of this title shall be transferred to the Under Secretary of Defense.

"EFFECTIVE DATES

"SEC. 642. (a) Sections 503 and 504 of this title shall take effect on the sixtieth day after the date of enactment of this act.

"(b) Except as provided in subsection (a), the provisions of this title shall take effect on the date of enactment of this act.

"REPORTS TO CONGRESS

"SEC. 643. (a) In addition to any other reports required by this act, the Secretary of Defense shall submit annually to the Congress and to the President a report of the progress made by the Department of Defense in the integration, as required by this title, of common supply and service activities within and among the military departments.

"(b) In addition to the reports required by subsection (a), the Secretary of Defense shall, not later than January 15, 1953, submit to the Congress and to the President a special report with respect to the progress made by the Under Secretary of Defense in developing plans for recruitment and training of a professional corps of supply personnel within the Department of Defense, as required by subsection 502 (b) (6) of this title, accompanied by such recommendations as he may deem appropriate for any further legislation necessary to permit the functioning of such a corps on a permanent basis.

"REPEALING AND SAVING PROVISIONS

"SEC. 644. All laws, orders, and regulations inconsistent with the provisions of this title are repealed insofar as they are consistent with the powers, duties, and responsibilities enacted hereby: *Provided*, That the powers, duties, and responsibilities of the Secretary

of Defense under this title shall be administered in conformance with the policy and requirements for administration of budgetary and fiscal and supply management and property utilization matters in the Government generally, including accounting and financial reporting, and that nothing in this title shall be construed as eliminating or modifying the powers, duties, and responsibilities of any other department, agency, or officer of the Government in connection with such matters, but no such department, agency, or officer shall exercise any such powers, duties, or responsibilities in a manner that will render ineffective the provisions of this title."

Renumber the succeeding sections.

Mr. DOUGLAS also submitted an amendment intended to be proposed by him to the bill (H. R. 7391) making appropriations for the Department of Defense and related independent agencies for the fiscal year ending June 30, 1953, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

SUPPLEMENTAL APPROPRIATIONS, 1953—AMENDMENT

Mr. MARTIN submitted an amendment intended to be proposed by him to the bill (H. R. 8370) making supplemental appropriations for the fiscal year ending June 30, 1953, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting several nominations, and withdrawing the nomination of Arthur E. Carstens to be postmaster at Hilbert, Wis., which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports were submitted:

By Mr. CONNALLY, from the Committee on Foreign Relations:

Executive Q (82d Cong., 2d sess.), a convention on relations between the Three Powers and the Federal Republic of Germany, signed by the United Kingdom, the French Republic, the United States, and the Federal Republic of Germany at Bonn on May 26, 1952; with an interpretation; and Executive R (82d Cong., 2d sess.), a protocol to the North Atlantic Treaty, covering security guaranties to the members of the European Defense Community by the parties to the North Atlantic Treaty, signed at Paris on May 27, 1952 (Exec. Rept. No. 16).

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc.,

were ordered to be printed in the Appendix, as follows:

By Mr. HUNT:

Address entitled "The Legislative 'How' of Small Business," delivered by Senator SPARKMAN at the convention of the National Association of Master Plumbers, in Atlantic City, N. J., on June 3, 1952.

By Mr. BRICKER:

Address delivered by Charles L. Hardy, president of the General Association of Alumni, Dartmouth College, at a meeting of the Dartmouth Alumni Association on June 7, 1952.

By Mr. MARTIN:

Editorial entitled "Report the Port Bill for Early Passage," published in the Philadelphia Inquirer on June 14, 1952, discussing the proposed Delaware River Port Authority bill.

By Mr. MALONE:

Transcript of debate on the subject "Should Our Foreign Policy Be Changed?" participated in by Senator MALONE and Robert Aura Smith, editorial writer for the New York Times.

VETERANS' READJUSTMENT ASSISTANCE ACT OF 1952

The Senate resumed the consideration of the bill (H. R. 7656) to provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, and for other purposes.

Mr. HILL. Mr. President, the unfinished business of the Senate is H. R. 7656, the Veterans' readjustment assistance bill, which makes provisions for GI Korean veterans. Mr. Oliver E. Meadows, staff director of the House Select Committee on the GI Bill, has given a great deal of time and attention to the drafting of the bill, which has been under consideration in the House for many weeks. I ask unanimous consent that I may be permitted to have Mr. Meadows on the floor of the Senate during the consideration of the bill.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

TAXATION OF LIFE INSURANCE COMPANIES

Mr. GEORGE. Mr. President, I am directed by the Committee on Finance to ask for immediate consideration and approval of H. R. 7876. I shall be glad to explain precisely what is provided by the bill.

The PRESIDENT pro tempore laid before the Senate the bill (H. R. 7876) relating to the taxation of life insurance companies, which was read twice by its title.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. GEORGE. Mr. President, the bill simply extends for an additional year the formula for taxation of life insurance companies, which was included in the 1951 Tax Act. Since the bill deals only with that matter, which was thoroughly

considered, the Committee on Finance has instructed me to ask that the bill not be referred to the committee, but that it be acted upon by the Senate.

The PRESIDENT pro tempore. The question is on the third reading of the bill.

The bill was ordered to a third reading, was read the third time, and passed.

DEFENSE PRODUCTION ACT AMENDMENTS OF 1952—CONFERENCE REPORT

Mr. MAYBANK. Mr. President, I submit the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2594) to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, and for other purposes. I ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. The report will be read for the information of the Senate.

The report was read.

(For conference report, see House proceedings of today's RECORD.)

The PRESIDENT pro tempore. Is there objection to the present consideration of the report?

Mr. BRIDGES. Mr. President, I have heard of the long hours into the night the distinguished Senator from South Carolina and his colleagues have worked on the bill. They are to be commended for the work they have done in reaching an agreement. However, a number of Senators vitally concerned with the subject have requested an opportunity to study the conference report—at least, to see it in printed form, so that they will know what has been done.

I am wondering what the distinguished Senator from South Carolina has planned with respect to the conference report. Will he tell us?

Mr. MAYBANK. I shall be only too glad to advise my distinguished friend, the Senator from New Hampshire. The conference bill was sent to the Printing Office at 4 o'clock this morning. An agreement has been reached between the House and the Senate as the result of a compromise on provisions adopted by the House and those of the Senate. Of course, in some respects the bill is not so strong as that which was passed by the Senate. We finally agreed on a bill after working from 10 o'clock yesterday morning until 2 o'clock this morning.

I shall be glad to answer any questions, or I shall be glad to follow any procedure the Senator from New Hampshire desires me to.

There was a yea-and-nay vote a few days ago on the Senate bill, and the bill was passed, as the Senator knows, rather overwhelmingly. I do not mean to boast about that; but I think more Senators voted against the Senate bill than will vote against the conference report.

Mr. BRIDGES. Would it be agreeable to the distinguished Senator from South Carolina and to the majority leader to

have the printed reports distributed, if they are available?

Mr. McFARLAND. Certainly.

Mr. MAYBANK. That is agreeable to me, of course.

Mr. BRIDGES. Also, would it be agreeable to have a quorum called, so that Senators may be notified?

Mr. MAYBANK. I would not object. I desired to submit the conference report, which, of course, is a privileged matter, so that it might be considered by the Senate.

Mr. McFARLAND. It is very important that the conference report be adopted because the time is almost at hand when the present law will expire.

The unfinished business is the GI bill for Korean veterans, and it should not take long to dispose of it.

The distinguished chairman of the Committee on Appropriations, who is now presiding over the Senate, is to be commended for the manner in which he has pushed forward and expedited the consideration of the appropriations bills by his committee. He is very anxious that the Senate take up the defense appropriation bill and do as much work on it today as possible. I shall determine today whether Senators interested in the bill will be willing to waive objection to the requirement of 3 days' notice and permit us to proceed as far as we can today with consideration of that measure.

Mr. FERGUSON. Mr. President, there is one other matter to which I wish to call attention, and I shall ask unanimous consent that it be considered. Yesterday I entered a motion to suspend the rule so that one particular amendment could be considered.

I might explain what the amendment is. Under present law, the Federal Government in making certain purchases of automobiles and other equipment has to pay to the Federal Government a sales tax. I felt that that should not be required. We should not use money out of appropriations for military purposes to pay a sales tax to the Government itself. So if I might ask unanimous consent—

Mr. McFARLAND. When we take up the appropriation bill, we can go into that question. I see no reason why the time element should not be waived in connection with the Senator's motion also.

Mr. FERGUSON. I am anxious to proceed with the consideration of that bill today.

Mr. McFARLAND. Mr. President, I know that Senators will wish to be present for the consideration of the conference report on the Defense Production Act amendments. The Speaker of the House has asked that the report be messaged over to the House as soon as possible. However, I feel that we should have a quorum call. I therefore suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Mr. McKELLAR. The Senator is correct.

Mr. IVES. I thank the Senator very much.

Mr. LEHMAN. I, too, thank the Senator very much.

The PRESIDING OFFICER (Mr. KILGORE in the chair). The question is on agreeing to the conference report.

The report was agreed to.

RENT CONTROL IN THE DISTRICT OF COLUMBIA

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calandar No. 1910, House bill 7397, the District of Columbia rent-control bill.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 7397) to amend and extend the provisions of the District of Columbia Emergency Rent Act of 1951.

Mr. HILL. Mr. President, it is not my intention to object, as I understand the Senator is asking merely that the unfinished business, which is the Korean GI bill, be temporarily laid aside, and that the Senate proceed with the District of Columbia rent-control bill.

Mr. JOHNSTON of South Carolina. The Senator is correct.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Carolina?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSTON of South Carolina. Mr. President, I offer an amendment, on line 6, to strike out "March 31" and insert in lieu thereof "April 30." That is in keeping with the date in the National Rent Control Act. The Committee on the District of Columbia, after enactment of the national rent-control law, instructed that House bill 7397 be made to accord with the national law.

Mr. BRIDGES. Mr. President, all the bill does is to continue rent control in the District of Columbia until a date which conforms to the date in the national rent-control law. Is that correct?

Mr. JOHNSTON of South Carolina. That is correct, April 30, 1953.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 7397) was read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 2988 is indefinitely postponed.

CONTINUATION OF EFFECTIVENESS OF CERTAIN STATUTORY PROVISIONS UNTIL JULY 3, 1952

Mr. McCARRAN. Mr. President, I ask the Chair to lay before the Senate House Joint Resolution 490.

The PRESIDING OFFICER laid before the Senate the joint resolution (H. J. Res. 490) to continue the effectiveness of certain statutory provisions until July 3, 1952, which was read twice by its title.

Mr. McCARRAN. I ask unanimous consent for the present consideration of the joint resolution.

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF MERCHANT MARINE ACT, 1936

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 241) to amend the Merchant Marine Act, 1936, as amended, to further promote the development and maintenance of the American merchant marine, and for other purposes, which were, on page 6, line 9, after "fixed", insert "by the Commission"; on page 7, line 17, strike out "(1)"; on page 7, line 22, strike out "(A)" and insert "(1)"; on page 7, line 25, strike out "(B)" and insert "(2)"; on page 8, line 14, strike out "(B)" and insert "(2)"; on page 8, strike out all after line 21 over to and including line 17 on page 9; on page 9, line 18, strike out "(3)"; on page 9, line 21, strike out all after "taxpayer" over to and including "return" in line 7, page 10; on page 10, line 8, strike out "(4)"; on page 10, line 9, strike out "(A)" and insert "(1)"; on page 10, line 10, strike out "(B)" and insert "(2)"; on page 10, line 13, strike out all after "Act" down through "1951," in line 14; on page 10, line 16, strike out "(1)"; on page 10, line 22, strike out "as follow:" and insert "reduced by that portion of the deposit in the fund expended in the construction, reconstruction, reconditioning, acquisition, or liquidation of purchase-money indebtedness of the new vessel which represents gain not recognized for tax purposes under subsection (c)"; on page 10, strike out all after line 22 over to and including line 2 on page 14; on page 14, line 3, strike out "13" and insert "12"; on page 14, line 22, strike out "(other than a deposit of earnings)"; on page 15, strike out all after line 18 over to and including line 6 on page 16; on page 16, line 7, strike out "(3)" and insert "(2)"; on page 16, strike out all after line 17 over to and including line 7 on page 18, and insert:

Sec. 13. Section 511 (i) of such act is amended by inserting after the words "portion thereof" in the second sentence the following: "with respect to a deposit made in any taxable year ending on or before June 30, 1945."

On page 18, line 8, strike out "16" and insert "14"; on page 18, line 14, strike out all after "determines" down to and including "members" in line 15; on page 18, after line 20, insert:

Sec. 15. Section 605 (b) of such act is amended to read as follows:

"(b) No operating-differential subsidy shall be paid for the operation of a vessel that is more than 20 years of age except one whose life expectancy has been determined as provided in section 607 (b) for a period

in no case to exceed the life expectancy determined thereunder, unless the Commission finds that it is to the public interest to grant such financial aid for the operation of such vessel and enters a formal order thereon, and the Commission shall include in each annual report a full report covering each case in which such exception is made, with the reasons therefor."

On page 18, line 21, strike out "17" and insert "16"; on page 19, line 1, strike out "18" and insert "17"; on page 19, line 8, after "the" where it appears the first time, insert "subsidized"; on page 19, line 15, strike out "19" and insert "18"; on page 19, line 19, strike out "20" and insert "19"; on page 19, line 25, strike out all after "the", where it appears the third time, over to and including "the", where it appears the second time, on page 20, line 2; on page 20, strike out all after line 2 over to and including line 19 on page 27 and insert:

Sec. 20. Section 607 (h) of such act is amended, effective with respect to taxable years ending after July 31, 1952, to read as follows:

"(h) The earnings or gains of any contractor receiving an operating-differential subsidy under authority of this act, which are deposited in the contractor's reserve funds as provided in this section, shall be treated as follows for Federal tax purposes:

"(1) Amounts required to be deposited as depreciation in the capital reserve fund shall be deductible in computing income subject to income and excess-profits taxes.

"(2) The proceeds of any insurance or indemnities received by the contractor on account of the total loss of subsidized vessel and the proceeds of any sale or other disposition of a subsidized vessel, to the extent such proceeds represent gain, and earnings or gains on amounts deposited in the capital reserve fund (other than amounts transferred from the special reserve fund) shall not be recognized for income or excess profits tax purposes.

"(3) Amounts deposited as depreciation in the capital reserve fund which exceed the depreciation which would be allowed under the Internal Revenue Code (assuming the life expectancy determined under section 607 (b)) and amounts described in paragraph (2) which are not recognized for tax purposes, shall not be recognized in the determination of the tax basis of any property in the acquisition, construction, or reconstruction of which such amounts are expended or in the determination of equity capital or total assets for excess profits tax purposes.

"(4) Earnings deposited in the capital reserve fund, other than the amounts described in paragraphs (1) and (2), and earnings deposited in the special reserve fund shall be treated as 'partially tax deferred.' 'Partially tax deferred' earnings shall not be recognized for purposes of the normal tax on corporations, but shall be recognized for purposes of the surtax and excess profits tax imposed upon corporations. 'Partially tax deferred' amounts shall not include capital gains deposited in the capital reserve fund or the special reserve fund.

"(5) Amounts treated as 'partially tax deferred' under paragraph (4) shall be recognized in the determination of the tax basis of any property acquired, constructed, or reconstructed therewith and in the determination of equity capital or total assets for excess tax purposes as follows:

"(A) So much of the 'partially tax deferred' deposit in any year as would be subject, but for paragraph (4), only to the normal tax shall not be recognized in determining basis or in determining equity capital

or total assets for excess profits purposes, and

"(B) The amount of the 'partially tax deferred' deposit in excess of the portion of the deposit described in the preceding subparagraph shall be recognized in the determination of basis and in the determination of equity capital or total assets for excess profits tax purposes in such proportion as the sum of the surtax and the excess profits tax attributable to such amount bears to the total tax which would have been imposed on such amount but for paragraph (4).

If 'partially tax deferred' amounts are used to reduce indebtedness, proper adjustment shall be made in the basis of the property subject to the indebtedness.

"(6) In computing the net income of the contractor for income and excess-profits tax purposes—

"(A) The amount of operating-differential subsidy accrual payable to the contractor for any taxable year, including amounts withheld by the Commission, shall be included in the income of the contractor for such year;

"(B) A deduction shall be allowed for the taxable year in the amount of subsidy reimbursement determined by the Commission to be chargeable to the contractor for such year; and

"(C) Any amount previously withheld from subsidy payments to offset such reimbursement liability which is released and paid to the contractor shall be included in the income of the contractor in the year in which paid.

"(7) Earnings or gains on deposit in the reserve funds at the termination of the contract, or withdrawn from the special reserve fund and paid into the contractor's general funds (other than for reimbursement of operating losses as provided under section 607 (c)) or distributed as dividends or bonuses, shall be taxable as follows:

"(A) 'Partially tax deferred' amounts shall, in the year of termination or withdrawal, be subject to the amount of normal tax which would have been imposed but for this section in the year in which such amounts were deposited, and

"(B) Other earnings or gains shall, to the extent not taxable upon deposit in the funds, be taxable, in the year of termination or withdrawal, under the tax rates and provisions applicable in the year of deposit.

Amounts withdrawn from the special reserve fund and used to reimburse the contractor's general funds for operating losses under section 607 (c) shall, to the extent such amount would not be recognized in the determination of tax basis under paragraph (5) or under the provisions of any closing agreement entered into between the contractor and the Bureau of Internal Revenue applicable with respect to deposits made prior to the first taxable year ending after July 31, 1952, be included in income of the contractor in the year of withdrawal from the fund.

"(8) Amounts deposited in the capital or special reserve funds shall not constitute an accumulation of earnings or profits within the meaning of section 102 of the Internal Revenue Code.

"(9) In computing the net operating loss deduction of the contractor under section 122 of the Internal Revenue Code—

"(A) The gross income of the contractor for purposes of section 122 (a) and the net income of the contractor for purposes of section 122 (b) and (c) shall include amounts treated as 'partially tax deferred' under paragraph (4);

"(B) The normal-tax net income of the contractor for purposes of section 122 (c) shall be an amount equal to the surtax net income; and

"(C) The net income of the contractor, for purposes of the computation under section 122 (c), shall be increased by the amount

of interest on obligations of the United States or its instrumentalities described in section 26 (a).

"(10) The excess profits credit of the contractor shall be determined in accordance with the following provisions:

"(A) The average base period net income of the contractor shall be computed by including in excess profits net income determined under section 433 (b) of the Internal Revenue Code for any taxable year the amount of earnings (not including capital gains) deposited by the contractor in the reserve funds in such year other than:

"(i) Required deposits of depreciation;

"(ii) The amount of subsidy reimbursement determined by the Commission to be chargeable to the contractor for such year; and

"(iii) Earnings on amounts deposited in the capital reserve fund (other than amounts transferred from the special reserve fund).

"(B) The equity capital of the contractor for purposes of section 437 (c) of the Internal Revenue Code and the total assets of the contractor for purposes of sections 435 (e), (3), 440 (b) and 442 (f) of the Internal Revenue Code shall be computed by determining, to the extent applicable, the adjusted basis of assets of the contractor in accordance with the provisions of paragraphs (3) and (5) or the provisions of any closing agreement entered into by the contractor and the Bureau of Internal Revenue applicable with respect to amounts deposited in the reserve funds prior to the first taxable year ending after July 31, 1952, and by attributing to amounts on deposit in the reserve funds the basis which would be attributed, under paragraphs (3) and (5) or under such closing agreement, to property acquired therewith.

"(11) For the purposes of this section, amounts withdrawn from the reserve funds or expended in accordance with the purposes of such funds shall be considered to represent the deposits in such funds in the order of deposit."

On page 27, line 20, strike out "22" and insert "21"; on page 28, line 3, strike out "constructed" and insert "construed"; on page 28, line 9, strike out "23" and insert "22"; and on page 28, line 11, strike out "(1)" and insert "(e)."

Mr. MAGNUSON. I move that the Senate disagree to the amendments of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MAGNUSON, Mr. McMAHON, Mr. O'CONOR, Mr. BREWSTER, and Mr. WILLIAMS conferees on the part of the Senate.

VETERANS' READJUSTMENT ASSISTANCE ACT OF 1952

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which is H. R. 7656.

The Senate resumed the consideration of the bill (H. R. 7656) to provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, and for other purposes.

Mr. HILL. Mr. President, this bill, commonly known as the Korean GI bill of rights, proposes to provide vocational readjustment and to restore lost educa-

tional opportunities to veterans who served in the Armed Forces on or after June 27, 1950. Of course, that was the date, as we all know, when the conflict in Korea began.

The basic, fundamental provisions of the bill have been drafted in accordance with advice, recommendations, and conclusions growing out of intensive, exhaustive investigations, hearings, and studies conducted by committees of Congress, by the General Accounting Office, and by the Administrator of Veterans' Affairs. As we know, the House of Representatives has had a special committee, headed by Representative TEAGUE, of Texas, which spent some 18 months investigating the matter. That committee traveled throughout the country, taking testimony in many different places, and did a magnificent job in its investigation of the problem, and then in working for a good many weeks in preparing the bill. A subcommittee of the Senate also went into the matter thoroughly and did excellent work. The General Accounting Office, under the direction of the Comptroller General, Hon. Lindsay C. Warren, made a study of the existing GI law and went into the matter very thoroughly, particularly in some 19 States. Then, of course, we have the observations and reports as a result of studies made by the Veterans' Administration itself.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. BRIDGES. I know the distinguished Senator from Alabama has rendered fine service in connection with the bill. The proposed legislation is of interest to all Senators and to the country generally. It is a bill that should be passed. The Senator from New Hampshire, who is the minority leader, is familiar with the bill in a general way, and he concurs in it. However, there are certain questions which should be clarified, and I believe the Senator from Alabama can readily clarify them.

I noticed that the Senator was very diplomatic when he said that the conflict in Korea started in 1950. I would have used the term "war." I know some Senators have referred to it as a "police action." But the Senator from Alabama used the word "conflict."

Mr. HILL. Does the Senator from New Hampshire wish me to define my use of the word "conflict" at this time?

Mr. BRIDGES. That was a little side remark by me. However, I shall call it the Korean war. The Senator may call it the Korean conflict. But with relation to that, will he define the limitations of the proposed legislation as applied to Korean veterans, so that there will be no misunderstanding about it?

Mr. HILL. If the Senator will look on page 3 of the report he will find that the bill grants 1½ days of education and training for each day of service on and after June 27, 1950, regardless of where the service was performed. The service might be performed in Korea, in Europe, or even in the United States. If the veteran has had 90 days of service and has an honorable discharge, he is

granted 1½ days of education or training for each day in the service. Assume that he has had 90 days of service. He would have the right to education and training for 4½ months. As the Senator knows, most of the Korean veterans have had far more than 90 days' service.

Mr. BRIDGES. I should like to ask the Senator a question which is raised by many sincere and thoughtful people. There can be no question that these benefits should be granted to a Korean veteran who has served in the Korean area, on the Korean Peninsula, in the waters around it, or in the air above it. However, there is some question with respect to a man who has served in this country and has never been more than 100 miles away from Washington. Should he receive the same type of benefits as are granted to the man who has bled and suffered in Korea, in the waters around it, or in the air over it? What is the justification for taking in everyone, even though some of them may not have gone farther away than Camp Meade?

Mr. HILL. As a former veteran himself, the distinguished Senator from New Hampshire knows that when a man enters the military service, the Army, the Navy, or the Air Force, he does not determine where he is to serve. He is subject to orders. He is subject to serving anywhere he may be ordered to serve. If he is sent to the front-lines in Korea, he goes to the front-lines in Korea. On the other hand, if his superior military commanders decide that he should serve in Washington, New Hampshire, on the west coast, or in Germany, Greece, or somewhere else, he goes wherever he is ordered to go. When he enters the service he loses all control over where he is to serve. Where he serves is entirely in the hands of his superior commanders. He has nothing to say about it.

The Senator knows that during World War II there were many men who grieved because they were left at home. The same situation was true in World War I. I think the Senator and I can bear witness to the fact that during World War I, in which he and I both served in the Armed Forces, many men were dissatisfied because they were left at home and were not sent into some combat area. They felt that they had been called into service, or had volunteered, to fight for their country. In the case of many of them, instead of being sent to some combat area they were kept here, undoubtedly for some good reason, either to supervise training, give courses of instruction, or for some other particular purpose.

So when a man once puts on his uniform and enters the service of the Armed Forces he loses all control over where he is to serve or what his service shall be. As the Senator knows, under the GI bill which we passed for the benefit of veterans of World War II, we had to accept the fact that a man had no control over the place of his service, and we drew no line of distinction so far as education and training benefits were concerned.

Mr. BRIDGES. I understand that.

Mr. HILL. Let me say further to my distinguished friend from New Hamp-

shire that no matter where the veteran may serve, his career is disrupted just the same. Even if he is in the city of Washington, serving in the Army, he cannot go to school, any more than he could go to school if he were serving in Korea, Germany or on some other foreign detail. So his career is interrupted the minute he enters the armed services, no matter where he may serve.

Mr. BRIDGES. There is one further item about which I wish to ask the Senator a question. Assuming that a veteran of the Korean war chooses not to accept the benefits, what will be his status in the future? I hope the Senator will permit me to use the expression "Korean war." I think it is a war in which we are engaged.

Mr. HILL. I will say to the Senator that the use of that word is in no sense objectionable to the Senator from Alabama. There may be a distinction between such a struggle and a war in the sense of war formally being declared by Congress. But when men engage in armed conflict, shooting at one another, that is warfare. It would be incomprehensible and inconceivable even to think of it, but if my good friend and I should have some disagreement and should resort to any kind of force to resolve that disagreement, in a sense we would be at war with each other.

Mr. BRIDGES. Consider the cases of two veterans of the Korean war. One veteran accepts the educational and training benefits, and the other does not. What provision is there in the bill with respect to any future benefits which may be accorded to veterans generally? Is any provision made for a credit or debit as the case may be, depending upon whether or not the particular veteran accepts the educational or training benefits? In other words, does the veteran who does not accept such benefits simply lose out?

Mr. HILL. Frankly, this bill does not go into the question of some future war, or conflict.

Mr. BRIDGES. I am not referring to that. I was referring to future benefits. For example, assume that several years from today legislation should be proposed granting further benefits to veterans of the Korean war. Would a credit or debit be given, as the case might be, in the case of a veteran who receives such benefits from the Government, as contrasted with a veteran who does not accept such benefits?

Mr. HILL. I should say that there is provision for neither credit nor debit. If at some future date Congress should see fit to enact legislation granting some new or additional benefits, at that time Congress would be well within its rights in considering the fact that some veterans received benefits under the provisions of this bill. Wisdom might well dictate that Congress consider that fact. However, there is nothing in the bill which seeks to anticipate what Congress may do in the future so far as additional benefits are concerned.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. PASTORE. As a matter of fact, Congress would have to do that with relation to the educational benefits which were given World War II veterans under the GI bill of rights, which is the present law. The new bill is merely an extension in that regard, and does not change the standard with reference to the present law.

Mr. HILL. So far as the basic question which the Senator from New Hampshire raises is concerned, the Senator from Rhode Island is correct.

Mr. BRIDGES. Mr. President, will the Senator further yield?

Mr. HILL. I yield.

Mr. BRIDGES. As the Senator from Alabama knows, that is a highly controversial subject, and one which is very much discussed in veterans' circles. I have attended many meetings where it has been the subject of discussion. The veteran who has not made use of the educational benefits under the GI bill of rights wants to know the answer to this question. He speaks up very forcefully. He says, "The other fellow has had the advantage of certain benefits. The Government has spent many thousands of dollars on him. I have never taken advantage of the benefits. Is the other fellow going to get the same thing as I get in the future?" It is a subject of great controversy and keen discussion in veterans' groups and among individuals.

Mr. HILL. I understand exactly the point the Senator is making. I sympathize with the veterans who have not taken advantage of the benefits offered them. For example, under the original GI bill, approximately 50 percent of the veterans took advantage of the educational and training benefits, while the other 50 percent, for some good reason in their own judgment, did not see fit to take advantage of those benefits. But the pending bill does not go into the question of future benefits, or what shall be granted or denied, on the basis of what may be granted as of this time.

Knowing my friend from New Hampshire as I do, and knowing his great ability, I will say that he can see how impossible it would be at this time to write any kind of formula with reference to future benefits, because so much would depend upon what the future benefits might be.

The Senator must also realize that in addition to educational and training benefits the GI's have enjoyed certain benefits in the matter of housing, loans, and other benefits.

Mr. BRIDGES. I should like to ask one more question. I am asking these questions for the purpose of clarifying the situation. As the Senator knows, there is not one American Legion post, a Veterans of Foreign Wars post, or an Amvets post which has not made inquiry about the bill. I should like to clarify it as much as possible, so that there will not be any misunderstanding. I should like to have the Senator from Alabama explain in simple A, B, C language the educational benefits provided in the bill. How do the educational benefits com-

pare with the benefits given to World War II veterans?

Mr. HILL. As simply as I can, I will say that the over-all benefits are the same. I can say, however, that under the bill, a veteran who has had 90 days' service would get a day and a half credit for each day. Therefore, he would have a credit of $4\frac{1}{2}$ months. Under the original GI bill he not only got that time but he was also given an extra year's time. So far as the over-all benefits are concerned, I think the Senator will find that the bill is treating the present-day veteran in substantially the same way the World War II veteran was treated.

Mr. BRIDGES. Mr. President, will the Senator yield further?

Mr. HILL. I am glad to yield.

Mr. BRIDGES. I have one more question to ask. A great many inquiries have been made about some of the schools and about some of the training which was given under the GI bill. Sometimes the GI was victimized, and sometimes unscrupulous people moved in and exploited GI's of World War II. Of course, in some cases the training was very much worth while, and not only did the GI's benefit, but the schools and colleges also benefited. What are the standards and what are the precautions in the bill with respect to that subject?

Mr. HILL. First, a school, in order to qualify to educate or train a veteran, must have been in existence for at least 1 year. In other words, the bill puts a stop to fly-by-night schools. It provides that a veteran may take a course in the school if 10 percent of the students in the course are nonveterans. That is another safeguard against fly-by-night courses for veterans. The bill also makes another change. Under the original GI bill, veterans could hop from one course to another. Some schools—not many of them—hired high-pressure salesmen to grab boys from their courses. The bill also prescribes better and higher standards which schools must meet if the veterans are to enroll in a course and if the Government is to pay the tuition.

Mr. BRIDGES. Who is going to decide on the standards?

Mr. HILL. A very effective limitation is provided on what may be called avocational courses. For example, some GI's entered dancing classes so that the school could get the tuition and the veteran could qualify for the subsistence allowance. The pending bill requires that, in order to be eligible for veterans' training and to receive Government payments for tuition, a school must be accredited by the State-approving agency, which in my State and in the Senator's State would be the State board of education.

Mr. BRIDGES. Mr. President, I think the precautions which have been written into the bill are fine, and I am glad they are in the bill. I am wondering whether the requirement that 10 percent of the students in a course must be nonveterans, a provision which the Senator from Alabama mentioned, is sufficiently high, and whether it should not be higher, based upon the experience we have had in the past.

Mr. HILL. I will say to the distinguished Senator from New Hampshire that bill, as passed by the House, made the requirement 25 percent. We received many complaints, however, a good many of which came from bona fide, established schools, that that percentage was too high. One of the complaints came from a school in Washington which has been in existence for more than 25 years. The head of that school, who has been running it for 25 years, impressed us as being a high-grade man. He insisted that 25 percent was much too high, and he felt that it would work against the interest of the veteran. So we reduced the 25-percent requirement to 10 percent. I will say to the distinguished Senator that, as he well knows, the item will be in conference, and no doubt the conferees will try to arrive at a figure which will protect the veteran and the Government.

Mr. BRIDGES. I think that by and large, from the Senator's description and my general study of the bill and the report, the committee has done a very good job. I am glad the members of the committee have taken the precautions which they have taken, and I commend the Senator for what he has done.

Mr. HILL. I thank the Senator for what he has said. Of course, the members of the Senate committee who worked on the bill are very happy to accept any bouquets that may come to them. However, in fairness I should say that the really hard work on the bill was done by the Teague subcommittee of the House. They spent 18 months investigating the whole subject, particularly with respect to what had happened under the original GI bill. They held many hearings. They heard a large number of witnesses representing educational institutions, veterans' organizations, and other interests. They spent 18 months on the subject, and they did a most thorough and painstaking and laborious job. After doing all that, they spent a great many weeks writing the bill. Therefore, I want to pay my respects and tribute to the Teague subcommittee of the House.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. HILL. I yield to my good friend from New York.

Mr. LEHMAN. I believe the distinguished Senator from Alabama is far too modest. I know of the splendid work which was done by the House subcommittee, but I can testify to the fine spirit and devotion which the distinguished chairman of the Subcommittee on Education has given to the great task of formulating this bill. He was ably assisted by the other members of the committee and by the staff, but I know of no man who devoted himself with greater industry and greater devotion and gave more study to this very important subject than the chairman of the Subcommittee on Education, the distinguished Senator from Alabama.

Mr. HILL. I thank my good friend from New York for his very kind and generous words. I should like to say that the other members of the subcommittee,

the distinguished Senator from Illinois [Mr. DOUGLAS], the distinguished Senator from Rhode Island [Mr. PASTORE], the distinguished Senator from Vermont [Mr. AIKEN], and the distinguished junior Senator from New York [Mr. IVES], as well as all the other members of the committee, worked hard and devotedly and laboriously on this bill.

Mr. HUNT. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. HUNT. I should like to ask the distinguished chairman of the subcommittee if he did some revamping or tightening up on the so-called on-the-job-training provisions as they were contained in the original GI bill.

Mr. HILL. We certainly did. We made a number of changes in that connection. We changed the formula of subsistence payments, and sought to make sure that a veteran receiving such training would not be drawing pay from the Government and drawing pay from some other source while not really doing the job for which the Government was paying. In other words we did everything we could—and the Teague committee did also—to make sure that when a veteran was receiving on-the-job training he was really making an effort and was a bona fide student in that type of training.

Mr. HUNT. I am very glad to hear the distinguished chairman say that, because that was the most abused section of the original GI bill of rights. I should like to ask one more question of the distinguished chairman.

Mr. HILL. We also improved the wage-ceiling provisions. The Senator from Wyoming will remember that under the old bill if a veteran were receiving a certain amount of pay, he could not draw any money from the Government. We tightened up those provisions.

Mr. HUNT. I believe the pending bill also contains a provision preventing the fly-by-night schools getting any advantage under it.

Mr. HILL. Yes; the bill requires that a school must have been in existence for at least 1 year, and it further requires that before a veteran can take a course in such a school, at least 10 percent of the students in the particular course must be nonveterans.

Furthermore, the bill provides that the veteran may make only one change in course. The Senator from Wyoming will remember that under the original GI Act, some schools had high-pressure salesmen who persuaded veterans to change from one course to another. This bill provides that a veteran can make only one change of course.

The bill also tightens up very much the provisions regarding avocational courses, such as courses in dancing, and so forth.

Mr. HUNT. What provision is made regarding the amount of tuition to be charged by the various schools?

Mr. HILL. The original GI bill allowed tuition of \$500 for the academic year. This bill provides for tuition of \$360 for the academic year.

Mr. HUNT. Will that be regardless of what may be the present tuition base

of the educational institution? Do I correctly understand that, regardless of what may be the present tuition base of any educational institution, the same fee or payment will be provided?

Mr. HILL. Oh, no; the Senator from Wyoming must realize the tuition charged by colleges and universities varies a great deal. For instance, at Harvard Medical School, one of the outstanding medical schools, the tuition might be very much more than that at the University of Wyoming or that at the University of Alabama. We did not try to set a standard fee.

Mr. HUNT. In each instance would the board of trustees of the institution be allowed to fix the tuition?

Mr. HILL. Yes; of course, in each instance the institution can fix its own fees and tuition. That is a matter to be handled by each institution.

Mr. HUNT. Of course, some universities, including State universities, increased the tuition charged the GI's, to the disadvantage of the GI's.

Mr. HILL. Yes. In this measure we seek to provide that a GI cannot be charged any more than a civilian is charged. We take care of that situation as much as we possibly can, so that a GI cannot be charged more than a civilian is charged.

Mr. HUNT. I thank the Senator from Alabama for his replies to these questions.

Mr. HILL. I thank the Senator from Wyoming for his questions.

Mr. SMATHERS. Mr. President, will the Senator from Alabama yield to me?

Mr. HILL. I yield.

Mr. SMATHERS. Let me join in the congratulations to the committee for having done what obviously is a very good job in improving the situation, as compared with that under the original GI bill of rights. I know that a great deal of the credit goes to the Senator from Alabama and to his very able committee.

In connection with what has been said of the Senator from Alabama, I wish to say that the Teague committee of the House of Representatives, to my knowledge, spent a great deal of time on this work. Personally, I know that Representative TEAGUE—himself a combat veteran, one of the few veterans in any congressional body who has received the Silver Star for bravery, and has received the Purple Heart three times, and who always has been a great friend of the veteran—several years ago was criticized by some of the brass of certain professional veterans' organizations because he refused to knuckle under. This bill is another evidence of Representative TEAGUE's deep loyalty and devotion to the genuine cause of veterans throughout the Nation. I am very happy that the Senator from Alabama has teamed up with Representative TEAGUE in this very worthy effort.

Mr. HILL. Mr. President, the words of the Senator from Florida gladden my heart. I do not know of anyone who so richly deserves the tribute the Senator from Florida has just paid as does Representative TEAGUE. As the Senator from Florida has said, Representative

TEAGUE has done a magnificent job, and the entire Congress, the veterans, and all the people of the United States owe him a lasting debt of gratitude for the work he has done on this bill.

Mr. DOUGLAS. Mr. President, will the Senator from Alabama yield to me?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from Alabama yield to the Senator from Illinois?

Mr. HILL. I yield.

Mr. DOUGLAS. The work of our committee would have been impossible without the prior study made by Representative TEAGUE and his committee. He was thorough, fair, and accurate. What the other Members have said is the literal truth, namely, that the Senate, the entire Congress, and all the people of the United States owe him a great debt of gratitude.

Mr. CASE. Mr. President, will the Senator from Alabama yield to me?

Mr. HILL. I yield to my friend, the Senator from South Dakota.

Mr. CASE. I should like to ask two questions. First, does the bill contain any provision making the qualifications and conditions provided by the bill applicable to payments from appropriations for GI benefits immediately after July 1? In other words, are the appropriations for the new fiscal year contingent upon the modifications made by this bill?

Mr. HILL. Yes. We have made provision for that. We expect this bill to become effective at once, so that the Korean veterans will be able immediately to take advantage of the provisions of the bill. Some of the schools begin in August, and we wish to provide for them to continue. We have made provision for the current appropriations to be used in that connection.

Mr. CASE. Even though the appropriation bill has already been passed by both branches of Congress?

Mr. HILL. Yes.

Mr. CASE. This measure imposes some changes.

Mr. HILL. Yes, but we have written the bill in such a way that the current appropriations will be available under the provisions of the bill.

Mr. CASE. I believe I now understand that side of the picture.

In this bill a limitation of \$30 a month, or \$360 a year, is provided as the total amount which may be paid for tuition. Formerly the total amount of tuition which could be paid was \$500. Will the appropriations for the new fiscal year be subject to the reduced-tuition payments provided for by this bill?

Mr. HILL. Yes, although of course this bill will not change the application of the original GI bill. This bill will apply to veterans who have served since June 27, 1950.

Mr. CASE. I wonder whether in the independent offices appropriation bill reference is made to the laws in existence as of that time, and whether the funds will be available under the provisions of the old bill.

Mr. HILL. I happen to be a member of the independent offices appropriations subcommittee of the Appropriations

Committee; and I think my friend, the Senator from Michigan [Mr. FERGUSON], who is also a member, will bear me out when I say that we anticipated the passage of this bill, and the funds carried in the current appropriation bill will be available for this purpose. It might be found necessary to have a supplemental appropriation bill; but the current appropriations, as provided by the independent offices appropriation bill, will be available to carry out the provisions of this bill.

Mr. CASE. Not only will they be available, but they will be subject to the modifications or limitations provided by this bill, will they not? I wish to know if the thing applies both ways.

Mr. HILL. I would say the funds could not be spent unless the provisions of this bill were complied with.

Mr. FERGUSON. I would think so, but I should like to have the Senator read the provisions which he thinks would not be handled in that way.

Mr. CASE. I shall go into that a little later.

At this point let me say that the bill provides for a mustering-out payment which is to be in lieu of the old 52-\$20 provision, or, in short, the old subsistence at the rate of \$20 a week, for 52 weeks. The new provision will permit up to a \$300 mustering out payment, in lieu of that.

The last sentence of section 403, on page 69, reads as follows:

A person entitled to receive the first installment of the mustering-out payment at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces shall, at his election, receive the whole of such payment in one lump sum, rather than in installments.

It is my understanding that the armed services regularly offer reenlistment bonuses. Will this mustering-out payment be in addition to the normal reenlistment bonus, or will it take its place?

Mr. HILL. I believe I shall have to say to the Senator from South Dakota that under the language of the bill as it now is written, the veteran would receive both. He would receive his mustering-out pay for the service he had rendered in the armed services; and then if he saw fit to reenlist, I believe he would receive the reenlistment bonus. I think that is the case.

Mr. CASE. Then it does not seem to me that that provision meets the original purpose of the subsistence allowances which were made.

Mr. HILL. This bill does not carry that provision.

Mr. CASE. I recognize that this bill does not carry it; but in the first sentence under title 4, on page 65, I read:

Mustering-out pay as provided in this title is designed to be in lieu of any provision for unemployment insurance or readjustment (unemployment) allowances except that it is not the purpose to impair any rights to unemployment insurance which may be afforded under existing laws.

In other words, mustering-out payment is in lieu of what was provided in the subsistence or readjustment allowance. If the veteran is not going to

have any readjustment, but is being mustered out for the purpose of reenlistment, he does not need what was originally needed as a readjustment allowance.

Mr. HILL. The Senator from South Dakota has raised a good question, and I should like to ask what would be his thought as to how long the veteran would have to be out of service before reenlisting. Would it be the Senator's thought that a man might be denied mustering-out pay?

Mr. CASE. As nearly as I can ascertain from the language, this is a suggestion that what is contemplated is substantially an immediate reenlistment, because the discharge or release, according to lines 13 and 14, is for the purpose of enlistment or reenlistment, or appointment in a Regular component.

Mr. HILL. The Senator from South Dakota has raised a very interesting question, a question which did not come before the committee, so far as I know. It was not raised in the House during its consideration of the bill, either in committee or on the floor. It is not in the House hearings, so far as I know. I suggest that the Senator might prepare an amendment which could be taken to conference, where the whole question could be considered. We could have the entire matter before us in a way that we do not now have it.

Mr. CASE. I appreciate the suggestion of the Senator. It was not the intent of the committee—at least, I do not think it was the intent of the committee—to provide a reenlistment allowance, or an adjustment allowance when it is to be made in connection with reenlistment.

Mr. HILL. If the man is to reenlist immediately, as the Senator says, then the reason for the mustering-out pay, so far as this language of the bill is concerned, would not exist. I suggest that the Senator might prepare an amendment to carry out his thought. We could take the amendment to conference, examine it, and determine what the reenlistment pay should be, and the requirements for such pay. We could study the matter more fully than is possible on the floor of the Senate at this time. We do not have the reenlistment provisions before us.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. HILL. I yield to the Senator from Michigan.

Mr. FERGUSON. The Senator from Michigan was about to bring up that question. As I understood, it was not intended to allow these payments, as indicated, for mustering out to be paid in the case of a reenlistment. As I understood, the man was to receive that allowance because he was returning to his State, where he might have unemployment insurance.

Mr. HILL. The bill in section 401 so states.

Mr. FERGUSON. As the Senator suggests, it might be well to take the matter to conference and have it considered.

Mr. HILL. The bill provides what the Senator from Michigan has stated; but

when we take the amendment to conference we will then have an opportunity to work out the provision to better effect.

Mr. President, it had been my intention to make a somewhat lengthy statement, but I feel that the matters covered by my statement have been largely dealt with in response to the questions.

Mr. McFARLAND. Mr. President, I desire to associate myself with those who have commended Representative TEAGUE and the members of the Senate committee. During the time I have been in the Senate the veterans have had no better friend than the senior Senator from Alabama [Mr. HILL]. This bill is but another evidence of the hard work he has done to assist veterans in readjusting themselves when they return to their homes.

Mr. HILL. I desire to thank my good friend the Senator from Arizona, and to say that, during the time that he has been in the Senate he has been a staunch, ever vigilant friend of the veterans. The same may be said of all the Members of the Senate Committee on Labor and Public Welfare, who reported this bill.

Mr. HILL subsequently said: Mr. President, I ask that immediately following my remarks earlier in the day there be printed in the body of the RECORD a letter I received from Mr. Charles H. Slayman, Jr., director of research and legislation, American Veterans' Committee.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN VETERANS COMMITTEE (AVC),
Washington, D. C., June 27, 1952.
Senator LISTER HILL,
Senate Committee on Labor and
Public Welfare,
United States Senate,
Washington, D. C.

DEAR SENATOR HILL: On behalf of the American Veterans Committee, I wish to congratulate you and the other members of your committee for the diligence and the speed which marked your consideration of H. R. 7656, the Korean GI bill. AVC has felt strongly for some time, as our testimony before your subcommittee last fall demonstrated, that simple justice required the enactment of this legislation in the present Congress.

I want to commend particularly the Senate committee's revised version of title II, part IV, relating to payments to veterans. This is indeed a compromise between the House provision and the advocates of direct tuition payments to schools, but it is a very fair and reasonable compromise which, in my opinion, will work for a more equitable solution to this problem, insofar as the veteran is concerned. Certainly the subsistence payments to the veteran are a vital part of this legislation, and no veteran should receive what is in effect less subsistence funds merely because he chooses to attend a higher tuition institution. It is our hope that the Senate will approve the bill as reported by your committee, and that the conference committee will agree substantially with the Senate version.

Again, the American Veterans Committee, as will be every veteran of the Korean emergency, is grateful to you and to your committee for its fine work on this important bill.

Sincerely yours,
CHARLES H. SLAYMAN, JR.,
Director of Research and Legislation.

Mr. MURRAY. Mr. President, the bill now being considered was one of the most important measures to come before the Senate Committee on Labor and Public Welfare during this entire session of the Congress.

It is a measure through which the Congress, acting for a grateful people, is discharging in part a grave obligation. It is a bill through which we can make a small but most significant repayment to the tens of thousands of young men and women who left their homes and families, postponed their plans to establish themselves in the business and professional life of the Nation, and interrupted carefully thought-out careers, in order that they might interpose their lives, their courage, and their abilities between the free world and the menace of a rapacious and predatory communism on the march. That obligation, Mr. President, can never be discharged in full. But insofar as we can express our consciousness of our debt and our intention to meet it to whatever extent is humanly possible, we can and must act promptly.

The bill now before the Senate received prolonged, careful, and conscientious study by a committee of the House of Representatives. After it passed the House and was referred to the Senate committee of which I have the honor to be chairman, I immediately appointed a special subcommittee, and named as chairman the senior Senator from Alabama [Mr. HILL], one of the Senate's most outstanding statesmen, and a man known to all of us for years as thoroughly dedicated to the best interest of both the American veteran and America's educational system. It was immediately subjected to prompt, penetrating, and thoroughly objective analysis. As a matter of fact, the members of the subcommittee had devoted many days and weeks to a study of the problems involved in this measure long before the House acted, and when the bill came before them, they were well prepared to act promptly, intelligently, and decisively. They did so, as did the members of the full committee. As a result, the Senate now has before it a bill, every detail of which has been most carefully considered, and concerning which members of the committee are prepared to speak with authoritativeness and a keen understanding of its many implications.

There may well be honest and sincere differences of opinion as to certain of those details, Mr. President. In fact, I am certain that there will be, and that the Senate will be given forceful, cogent, and lucid explanations of those differences of opinion. But despite them, and while considering those differences, Mr. President, every member of our committee kept constantly in mind one single overriding consideration—our obligation to the veteran to act decisively and without delay. That is why our committee was unanimous in reporting this amended bill to the Senate.

It is in that spirit, Mr. President, that I hope the Senate will debate the Veterans Readjustment Assistance Act of 1952 with a full and frank discussion of its many phases, and of the implications

of all suggested changes; with objectivity and fairness, with full respect for differences of opinion, but, above all, with promptness, and a constant awareness of the fact that we must and will do our part for the veterans of Korea, and do it now.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. HUMPHREY. I wish to associate myself with the remarks of the distinguished chairman of our committee, the Senator from Montana [Mr. MURRAY] in reference to the Senator from Alabama [Mr. HILL] who has always proved himself to be everything the Senator from Montana has stated about him. He is a friend of the veteran, he is one of the great men in the field of education, and he has done much for the good of education in America.

This is a bill which will accomplish good results. I think it demonstrates Congress has learned from experience, and it also demonstrates that Congress has had a weather eye upon the Veterans' Administration in terms of its relationship to this program. It is my hope that the program will be carefully administered in the light of the objectives of the bill, the prime objective being to give to every veteran an opportunity to have the best education this country can possibly provide, and to have the veteran afforded all the Government assistance which the veteran has more than earned, which he justly deserves. It should be in that spirit that the Veterans' Administration takes care of its obligations in administering the act.

Mr. MURRAY. I thank the Senator from Minnesota for his contribution.

Mr. HILL. Mr. President, I wish to thank the distinguished Senator from Montana for his very kind and generous remarks. I wish to refer to what I said about the subcommittee and all the members who worked most diligently, laboriously, and constructively on the bill. The subcommittee could not have had finer help or cooperation or support than it received from the distinguished chairman of the committee, the Senator from Montana [Mr. MURRAY] who for so long has been recognized in this body as one of the great friends of veterans.

I also wish to thank my distinguished friend the Senator from Minnesota [Mr. HUMPHREY] who is one of the Senate's great friends of the veterans in the Senate, for his very kind and generous remarks. We know how staunch and devoted he has been in support of the bill, and of his endeavors to help us in getting the advice and assistance of those best qualified to render the greatest possible service to our veterans.

The PRESIDING OFFICER. The bill will be read for committee amendments, which, without objection, will be considered en bloc.

The LEGISLATIVE CLERK. On page 2, line 13, after the word "benefits", to strike out "the old-age and survivors insurance credits,"; on page 5, line 1, after the word "any" to strike out "apprentice council" and insert "joint apprentice

committee"; on line 13, after the word "Affairs", to strike out "and"; in line 15, after the word "of", to insert "Education"; and (12) the term "Secretary" means the Secretary of Labor of the United States Department of Labor"; on page 6, line 1, after the word "after", to strike out "September" and insert "August"; on page 9, line 5, after the word "pursue", to strike out: "In no event, however, may an eligible veteran pursue a program of education or training under this title at an educational institution or training establishment which is not located in a State, except that the Administrator may approve the pursuit of a program of education or training in the Republic of the Philippines at an approved educational institution or training establishment"; in line 22, after the word "education", to strike out "and" and insert "or"; on page 10, line 6, after the word "may", to insert "unless his program had been interrupted or discontinued due to his own misconduct, his own neglect, or his own lack of application"; on page 11, line 10, after the word "photography", to strike out "course," and insert "course or"; in line 11, after the word "course", to strike out "or any flight training course pursued as a hobby or which the Administrator finds to be avocational or recreational in character,"; on page 12, line 16, after the word "than", to strike out "three-fourths" and insert "ninety per centum"; on page 13, line 1, after the word "than", to strike out "two years" and insert "one year immediately prior to the enrollment of such veteran"; in line 8, after the word "than", to strike out "two years" and insert "one year"; in line 12, after the word "than", to strike out "two years" and insert "one year"; on page 14, line 3, after the word "of", to strike out "his subsistence, tuition, fees, supplies, books, and equipment" and insert "his program of education or training"; on page 16, line 6, after the word "The" to insert "basic"; in line 7, after the word "allowance" to insert "to meet in part the expenses of subsistence, supplies, books, and equipment"; in line 14, after the word "of", to strike out "\$110" and insert "\$80"; in line 16, after the word "of", to strike out "\$150" and insert "\$105"; in the same line, after the word "one", to strike out "or more dependents" and insert "dependent, or at the rate of \$130 per month, if he has more than one dependent"; in line 21, after the word "of", to strike out "\$110" and insert "\$80"; in line 23, after the word "one", to strike out "or more dependents" and insert "dependent, or at the rate of \$100 per month, if he has more than one dependent"; on page 17, line 1, after the word "of", to strike out "\$50" and insert "\$40"; in line 3, after the word "of", to strike out "\$70" and insert "\$50"; in the same line, after the word "one", to strike out "or more dependents" and insert "dependent, or at the rate of \$70 per month, if he has more than one dependent"; in line 6, after the word "The", to insert "basic"; in the same line, after the word "allowance" to insert "to meet in part the expenses of subsistence, supplies, books, and equipment"; in line 13,

after "(1)" to strike out "\$90" and insert "\$75"; in the same line, after "(2)" to strike out "\$120" and insert "\$95"; in line 14, after the word "one," to strike out "or more dependents" and insert "dependent, or (3) \$115 per month, if he has more than one dependent"; in line 19, after "(2)" to strike out "\$95" and insert "\$85"; in line 20, after the word "one"; to strike out "or more dependents" and insert "dependent, or (3) \$105 per month, if he has more than one dependent"; on page 18, line 8, after "(2)" to strike out "\$300" and insert "\$275"; in line 9, after the word "one", to strike out "or more dependents" and insert "dependent, or (3) \$310 per month, if he has more than one dependent"; in line 18, after the word "allowance" to insert "to meet in part the expenses of subsistence, supplies, books, and equipment"; in line 21, after "(1)" to strike out "\$95" and insert "\$70"; in line 22, after "(2)", to strike out "\$120" and insert "\$85"; in line 23, after the word "one", to strike out "or more dependents" and insert "dependent, or (3) \$105 per month, if he has more than one dependent"; in line 25, after the word "his", to insert "basic"; on page 19, line 4, after the word "or", to strike out "\$90" and insert "\$80"; in the same line, after the word "one", to strike out "or more dependents" and insert "dependent, or \$100 per month, if he has more than one dependent"; on page 20, line 14, after the word "under" to strike out "one of the preceding subsections" and insert "the applicable"; on page 21, after line 4, to insert:

(h) In addition to the basic education and training allowances to meet in part the expenses of subsistence, supplies, books, and equipment, there shall be paid to each eligible veteran a course of education or training who is entitled to a basic education and training allowance under subsection (a), (b), or (d) an additional education and training allowance to meet in part the cost of his tuition and fees. Such additional education and training allowance shall be paid monthly on a pro-rata basis of the total amount of the established charges for tuition and fees for the course which a non-veteran student similarly circumstanced is required to pay and for tuition and fees for the course, except that in no case shall such additional education and training allowance exceed the rate of \$40 a month for a full-time program or the pro-rata part thereof for a part-time program. The additional education and training allowance provided by this subsection shall be computed on the basis of the tuition and fees which are required to be paid by nonveteran students similarly circumstanced and shall not include optional fees, charges for board, lodging, living expenses, or travel, deposits, or fees assessed to cover the cost of supplies, books, or equipment.

Mr. HILL. Mr. President, I offer an amendment to the last amendment so as to carry out the intended purpose of the committee. Throughout the consideration of the bill we have sought to protect the veteran as well as the Government, providing that the veterans shall not pay more than civilians. This amendment is an extra protection where there is no civilian student along with the veteran student.

The PRESIDING OFFICER. The clerk will state the amendment offered

by the Senator from Alabama to the committee amendment.

The CHIEF CLERK. On page 22, at the end of line 2, it is proposed to insert a new sentence as follows:

Notwithstanding the foregoing, where the Administrator finds that more than 90 percent of the students enrolled in the course in which the veteran is enrolled are having all or any part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration under part VII or part VIII of Veterans Regulation No. 1 (a), or this title, the payment of the additional education and training allowance under this subsection shall be at a rate which the Administrator determines to be a fair and reasonable charge for tuition and fees for such course, but in no event exceeding the limits otherwise prescribed in this subsection with respect to charges to nonveteran students and maximum dollar amounts.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alabama to the committee amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, on page 22, line 3, to reletter the subsection from "(h)" to "(i)"; on page 23, line 9, after "(a)", to insert a colon and "Provided, That the administrator shall not define full-time apprentice training for a particular establishment above that established as the standard workweek through bona-fide collective bargaining between employers and employees"; on page 23, line 15, after the word "Administrator", to strike out "shall" and insert "may"; in line 21, after the word "therein", to strike out the comma and "except that, in the case of a tax supported public educational institution which does not have established charges for tuition and fees which it requires nonveteran residents to pay, such institution may charge and receive from each eligible veteran who is a resident an amount equal to the estimated cost of teaching personnel and supplies for instruction attributable to such veteran, but in no event to exceed the rate of \$31 per month for a full-time course"; on page 24, line 7, after "(a)", to strike out "The" and insert "Unless otherwise established by the law of the State concerned, the"; in line 12, after the word "event", to strike out "the chief executive of"; in line 16, after the word "the", to strike out "Commissioner" and insert "Administrator"; in line 18, after the words "by the", to strike out "Commissioner" and insert "Administrator"; in line 20, after the word "the", to strike out "Commissioner" and insert "Administrator"; on page 25, line 3, after the word "the", to strike out "Commissioner" and insert "Administrator"; in line 16, after the word "The", to strike out "Commissioner" and insert "Administrator"; in line 20, after the word "The", to strike out "Commissioner" and insert "Administrator"; on page 26, line 20, in the subhead, after the word "of", to strike out "Office of Educa-

tion And"; in line 24, after the word "agency.", to strike out "The Administrator shall utilize the services of the Office of Education in developing cooperative agreements between the Administrator and State and local agencies relating to the approval of courses of education or training as provided for in section 245, in reviewing the plan of operations of State approving agencies under such agreements, and in rendering technical assistance to such State and local agencies in developing and improving policies, standards, and legislation in connection with their duties under this title"; on page 27, line 11, after the word "shall", to strike out "(except in the case of the Office of Education)"; in line 14, after the word "agreement.", to strike out "Funds necessary to enable the Office of Education to carry out its functions under this title are authorized to be appropriated directly to such Office."; on page 37, line 7, after the word "standards", to strike out "or" and insert "of"; on page 40, line 17, after the words "event the", to strike out "student" and insert "veteran"; in line 20, after the words "to the", to strike out "student" and insert "veteran"; on page 44, line 11, after the word "in" to strike out "the field of education and are representative" and insert "their respective fields of education, labor, and management, and of representatives"; in line 16, after the word "be", to strike out "an ex officio member" and insert "ex-officio members"; on page 45, line 16, after the word "Administration" to strike out "or Office of Education"; on page 46, line 16, after the word "Veterans" to strike out "Administration, the Office of Education," and insert "Administration"; after line 19, to insert:

(d) The Administrator may waive in writing the application of this section in the case of any officer or employee of the Veterans' Administration or of a State approving agency, if he finds that no detriment will result to the United States or to eligible veterans by reason of such interest or connection of such officer or employee.

On page 47, line 4, after "Sec. 235," to insert "(a)"; after line 8, to insert:

(b) The Administrator shall pay to each educational institution, which is required to submit reports and certifications to the Administrator under this title, an allowance for each full-time eligible veteran or the pro rata part thereof for each part-time eligible veteran to assist the educational institution in defraying the expense of preparing and submitting such reports and certifications. The amount of such allowance for each such eligible veteran shall be determined by the Administrator but shall be uniform with respect to all educational institutions. Such allowance shall be paid in such manner and at such times as may be prescribed by the Administrator, except that in the event any institution fails to submit reports or certifications to the Administrator as required by this title, no allowance shall be paid to such institution for the month or months during which such reports or certifications were not submitted as required by the Administrator.

On page 49, line 13, in the subhead, after the word "Penalties" to strike out "And Forfeitures"; on page 50, beginning with line 8, to strike out "shall forfeit all rights, claims, and benefits under this title and under Public Law 2,

Seventy-third Congress, as amended, and, upon conviction, shall be fined not more than \$500 or imprisoned not more than 6 months, or both. Any person not subject to the forfeiture provisions of this section who violates this section"; on page 50, line 18, after the word "amended," to insert "the provisions of section 15 of Public Law Numbered 2, Seventy-third Congress, as amended, the provisions of section 12 of Public Law Numbered 144, Seventy-eighth Congress, approved July 13, 1943 (57 Stat. 557), as amended"; on page 51, after line 21, to insert:

APPROPRIATIONS

SEC. 274. The appropriations for the Veterans' Administration under the headings "Administration, medical, hospital and domiciliary services" and "Readjustment benefits" are hereby made available for expenditures necessary to carry out the provisions of this title, and there is hereby authorized to be appropriated such additional amounts as may be necessary to accomplish the purposes of this title.

On page 52, after line 14, to strike out:

(2) by inserting before the period at the end of the first sentence the following: "Provided, That any person who is eligible for the benefits of this title by virtue of active service prior to June 27, 1950, or is the owner of property acquired through benefits accruing for prior service, shall not be eligible for additional benefits under this title by reason of active service on or after June 27, 1950: *Provided further*, That any guaranty entitlement used prior to reentry into service as to which the Administrator has incurred no loss and is no longer subject to contingent liability shall be restored to any veteran separated from the service after June 27, 1950"; and.

And in lieu thereof to insert the following:

(2) by inserting after the first sentence the following: "Entitlement derived from service on or after June 27, 1950, shall (1) cancel any unused entitlement derived from service prior to June 27, 1950, and (2) be reduced by the amount entitlement from such prior service shall have been used to obtain a direct, guaranteed, or insured loan (a) on real property which the veteran owns at the time of application or (b) as to which the Administrator shall have incurred actual liability or loss unless in the event of loss or the incurrence and payment of such liability by the Administrator, the resultant indebtedness of the veteran to the Government shall have been paid in full"; and.

On page 53, line 18, after the word "the", to strike out "third sentence" and insert "fourth sentence of such subsection, as amended by this section"; on page 54, line 19, in the subhead, after the word "Construction", to strike out the semicolon and "Warranties; Substantial Deficiencies in Housing"; in line 23, after the word "following", to strike out "new subsections"; on page 55, after line 14, to strike out:

(c) The seller of a newly constructed dwelling unit which is sold for initial occupancy to any person who meets the eligibility requirements of section 500 (a) or section 1506 of this act, as amended, with the aid of financing guaranteed or insured by an agency or instrumentality of the Federal Government, and such other person as may be required by such agency or instrumentality to become warrantor, shall be deemed to have expressly warranted to such

purchaser that the dwelling is constructed in substantial conformity with the plans and specifications on which such agency or instrumentality based its valuation of the unit or its commitment to guarantee or insure a loan to finance the construction or purchase of such unit. Such warranty shall apply only with respect to failures of performances as to which the purchaser has given written notice to the warrantor within 1 year from the date of initial occupancy.

(d) The Administrator shall have the right to refuse to appraise any dwelling or housing project owned, sponsored, or to be constructed by any person identified with housing previously sold to veterans under this title as to which substantial deficiencies have been discovered, or as to which there has been a failure or indicated inability to discharge contractual liabilities to veterans, or as to which it is ascertained that the type of contract of sale or the methods or practices pursued in relation to the marketing of such properties were unfair or unduly prejudicial to veteran purchasers.

On page 57, after line 10, to strike out:

REFUSAL TO GUARANTEE OR INSURE LOANS IN CERTAIN CASES

SEC. 307. Title III of the Servicemen's Readjustment Act of 1944, as amended, is amended by adding at the end thereof the following new section:

"SEC. 514. Whenever the Administrator finds with respect to loans guaranteed or insured under this title that any lender or holder has failed to maintain adequate loan accounting records, or to demonstrate proper ability to service loans adequately or to exercise proper credit judgment or has willfully or negligently engaged in practices otherwise detrimental to the interest of veterans or of the Government, he may refuse either temporarily or permanently to guarantee or insure any loans made by such lender or holder or bar such lender or holder from acquiring loans guaranteed or insured under this title: *Provided*, That the Administrator shall not refuse to pay a guaranty on loans theretofore entered into in good faith between the veteran and the lending institution."

On page 58, after line 5, to strike out:

TITLE IV—OLD-AGE AND SURVIVORS INSURANCE
WAGE CREDITS FOR VETERANS OF KOREAN
CONFLICT

SEC. 401. (a) Section 217 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(e) (1) For the purposes of determining entitlement to and the amount of any monthly benefit or lump-sum death payment payable under this title on the basis of the wages and self-employment income of any veteran of active military or naval service on or after June 27, 1950, such veteran shall be deemed to have been paid wages (in addition to the wages, if any, actually paid to him) of \$160 in each month during any part of which he served in the active military or naval service of the United States on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress. This subsection shall not be applicable in the case of any monthly benefit or lump-sum death payment if—

"(A) a larger such benefit or payment, as the case may be, would be payable without its application; or

"(B) a benefit (other than a benefit payable in a lump sum unless it is a commutation of, or a substitute for, periodic payments) which is based, in whole or in part, upon the active military or naval service of such veteran on or after June 27, 1950, and prior to such date as shall be determined by

Presidential proclamation or concurrent resolution of the Congress, is determined by any agency or wholly owned instrumentality of the United States (other than the Veterans' Administration) to be payable by it under any other law of the United States or under a system established by such agency or instrumentality.

The provisions of clause (B) shall not be applicable in the case of any monthly benefit or lump-sum death payment under this title if its application would reduce the primary insurance amount (as computed under section 215 prior to any recomputation thereof pursuant to subsection (f) of such section) of the individual on whose wages and self-employment income such benefit or payment is based by \$0.50 or less.

"(2) Upon application for benefits or a lump-sum death payment on the basis of the wages and self-employment income of any veteran of active military or naval service on or after June 27, 1950, the Federal Security Administrator shall make a decision without regard to clause (B) of paragraph (1) of this subsection unless he has been notified by some other agency or instrumentality of the United States that, on the basis of the military or naval service of such veteran on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, a benefit described in clause (B) of paragraph (1) has been determined by such agency or instrumentality to be payable by it. If he has not been so notified, the Federal Security Administrator shall then ascertain whether some other agency or wholly owned instrumentality of the United States has decided that a benefit described in clause (B) of paragraph (1) is payable by it. If any such agency or instrumentality has decided, or thereafter decides, that such a benefit is payable by it, it shall so notify the Federal Security Administrator, and the Administrator shall certify no further benefits for payment or shall recompute the amount of any further benefits payable, as may be required by paragraph (1) of this subsection.

"(3) Any agency or wholly owned instrumentality of the United States which is authorized by any law of the United States to pay benefits or has a system of benefits which are based, in whole or in part, on military or naval service on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, shall, at the request of the Federal Security Administrator, certify to him, with respect to any veteran of active military or naval service on or after June 27, 1950, such information as the Administrator deems necessary to carry out his functions under paragraph (2) of this subsection.

"(4) There are hereby authorized to be appropriated to the trust fund from time to time, as benefits which include service to which this subsection is applicable become payable under this title, such sums as the Administrator estimates to be necessary to meet the additional costs, resulting from this subsection, of such benefits (including lump-sum death payments). Such estimates shall be arrived at through the use of appropriate accounting, statistical, sampling, or other methods.

"(5) For the purposes of this subsection, the term 'veteran' means any individual who served in the active military or naval service of the United States at any time on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, and who, if discharged or released therefrom, was so discharged or released under conditions other than dishonorable after active service of 90 days or more or by reason of a disability or injury incurred or aggra-

vated in service in line of duty; but such term shall not include any individual who died while in the active military or naval service of the United States if his death was inflicted (other than by an enemy of the United States) as lawful punishment for a military or naval offense."

(b) Section 205 (o) of such act is amended by striking out "section 217 (a)" and inserting in lieu thereof "subsection (a) or (e) of section 217."

(c) (1) The amendments made by subsections (a) and (b) shall be applicable only with respect to monthly benefits under section 202 of the Social Security Act for months after, and with respect to lump-sum death payments in the case of deaths occurring after, the month following the month in which this act is enacted, except that, in the case of any individual who is entitled, on the basis of the wages and self-employment income of any individual to whom section 217 (e) of the Social Security Act applies, to monthly benefits under such section 202 for the month following the month in which this act is enacted, such amendments shall be applicable (A) only if an application for recomputation by reason of the amendments is filed by such individual, or any other individual, entitled to benefits under such section 202 on the basis of such wages and self-employment income, and (B) only with respect to such benefits for months after whichever of the following is the later: the first month following the month in which this act is enacted or the seventh month before the month in which such application was filed. Recomputations of benefits as required to carry out the provisions of this paragraph shall be made notwithstanding the provisions of section 215 (f) (1) of the Social Security Act; but no such recomputation shall be regarded as a recomputation for purposes of section 215 (f) of the Social Security Act.

(2) In the case of any veteran (as defined in section 217 (e) (5) of the Social Security Act) who died prior to the enactment of this act, the time within which proof of support may be filed under subsection (f) or (h) of section 202 of the Social Security Act shall be 2 years after the date of enactment of this act.

LUMP-SUM DEATH PAYMENTS FOR REINTERMENT OF DECEASED VETERANS

SEC. 402. (a) Section 101 (d) of the Social Security Act Amendments of 1950 is amended by changing the period at the end thereof to a comma and adding: "and except that in the case of any individual who died outside the 48 States and the District of Columbia on or after June 27, 1950, and prior to September 1950, whose death occurred while he was in the active military or naval service of the United States, and who is returned to any of such States, the District of Columbia, Alaska, Hawaii, Puerto Rico, or the Virgin Islands for interment or reinterment, the last sentence of section 202 (g) of the Social Security Act as in effect prior to the enactment of this act shall not prevent payment to any person under the second sentence thereof if application for a lump-sum death payment under such section with respect to such deceased individual is filed by or on behalf of such person (whether or not legally competent) prior to the expiration of 2 years after the date of such interment or reinterment."

(b) In the case of any individual who died outside the 48 States and the District of Columbia after August 1950 and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, whose death occurred while he was in the active military or naval service of the United States, and who is returned to any of such States, the District of Columbia, Alaska, Hawaii, Puerto Rico, or the Virgin Islands for interment or reinterment, the last

sentence of section 202 (1) of the Social Security Act shall not prevent payment to any person under the second sentence thereof if application for a lump-sum death payment with respect to such deceased individual is filed under such section by or on behalf of such person (whether or not legally competent) prior to the expiration of 2 years after the date of such interment or reinterment.

On page 65, line 3, in the heading, after the word "Title", to strike out "V" and insert "IV"; in line 5, to change the section number from "501" to "401"; in line 11, to change the section number from "502" to "402"; after line 22, to strike out:

(2) any member of the Armed Forces who is retired or separated therefrom under provisions of law other than title IV of the Career Compensation Act of 1949.

And in lieu thereof to insert:

(2) any member of the Armed Forces who, at the time of discharge or release from active service, is entitled to severance pay or is transferred or returned to the retired list with retired pay, retirement pay, retainer pay, or equivalent pay, or to a status in which he receives such pay: *Provided*, That this paragraph shall not apply upon retirement or separation pursuant to title IV of the Career Compensation Act of 1949.

On page 67, line 10, after the word "Academies", to strike out "and"; in line 14, after the word "the", to strike out "Congress." and insert "Congress; and

"(c) A member of the Armed Forces who is eligible to receive mustering-out payments under this title and under the Mustering-Out Payment Act of 1944 for the same period of active service shall elect to receive such payment either under this title or such act, but shall not be entitled to payment under both provisions of law."

On page 68, line 2, to change the section number from "503" to "403"; in line 3, after the word "section", to strike out "502" and insert "402"; on page 69, line 19, to change the section number from "504" to "404"; on page 70, line 13, to change the section number from "505" to "405"; on page 71, line 2, to change the section number from "506" to "406"; in line 21, after the word "section", to strike out "505" and insert "405"; on page 72, line 18, to change the section number from "507" to "407"; on page 73, line 6, in the heading, to change the title number from "VI" to "V"; in line 8, to change the section number from "601" to "501"; after line 18 to insert:

Sec. 502. Any person who served in the active military, naval, or air service of the United States on and after June 27, 1950, and prior to such date as may thereafter be determined by Presidential proclamation or concurrent resolution of the Congress, and who shall have been discharged or released therefrom under conditions other than dishonorable is hereby authorized to elect, purchase, and pursue such courses of education or training as are provided by the United States Armed Forces Institute. Such courses shall be furnished to such person by such institute subject to the same conditions, general requirements, and fees as are applicable to persons in the active service: *Provided*, That an application for such course, in the form specified by the Secretary of Defense, shall be filed by such person with

the Director of the United States Armed Forces Institute within 2 years after the date of the discharge or release of such person from the active service.

And on page 74, line 13, to change the section number from "602" to "503."

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc.

The amendments were agreed to.

Mr. FERGUSON. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Michigan.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert a new title, as follows:

TITLE V—VETERANS UNEMPLOYMENT COMPENSATION ELIGIBILITY

SEC. 501. (a) Any person who shall have served in the active military or naval service of the United States at any time after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress and who shall have been discharged or released from active service under conditions other than dishonorable, after active service of 90 days or more, or by reason of an injury or disability incurred in service in line of duty, shall be entitled, in accordance with the provisions of this title and regulations issued by the Administrator of Veterans' Affairs pursuant thereto, to receive veterans' unemployment compensation as provided herein for each week of unemployment, not to exceed the total allowable under section 502, which (1) begins after the 90th day after date of enactment hereof or the 90th day after the date of his discharge or release, whichever date is later, and (2) occurs not later than 15 months after such later date: *Provided*, That no such compensation shall be paid for any period for which he receives an education and training allowance under title II: *Provided further*, That no such compensation shall be payable for any week commencing more than 5 years after the date so determined by Presidential proclamation or concurrent resolution of the Congress.

(b) Such person shall be deemed eligible to receive compensation for any week of unemployment if a claim is made and it is found that he meets all the eligibility requirements (except the requirement that he shall have earned certain amounts of wages in insured employment) under the unemployment compensation law of the State in which he resided immediately prior to his entrance into the active military or naval service. Any such claim shall be processed and paid by such State (hereinafter referred to as the "paying State") pursuant to agreements entered into under section 505 (a), but may be accepted by any State unemployment compensation office for processing and payment by the paying State.

AMOUNT OF COMPENSATION AND PAYMENT

SEC. 502. (a) The compensation for a week shall be an amount equal to the maximum benefit including dependency allowances which may be paid to a person eligible therefor under the unemployment compensation law of the State in which the veteran resided immediately prior to his entrance into the active military or naval service.

(b) The number of weeks of compensation to which each eligible veteran shall be entitled shall be the maximum number of weeks for which benefits may be paid to a person eligible therefor under the unemployment compensation law of the paying State.

SEC. 503. (a) Veterans' unemployment compensation shall be paid at the intervals prescribed by the unemployment compensation law of the paying State: *Provided*, That if none are so prescribed veterans' unemployment compensation shall be paid at such reasonable intervals as may be determined by the Administrator.

(b) Any compensation certified to but remaining unpaid upon the death of a claimant shall not be considered a part of the assets of the estate of the claimant, or liable for the payment of his debts, or subject to any administration of his estate, and the Administrator may make payment thereof to such person or persons he finds most equitably entitled thereto.

DUPLICATE BENEFITS PROHIBITED

SEC. 504. No compensation shall be payable to a claimant under this title where, for the same period, the claimant is eligible for an allowance or benefit under any Federal or State unemployment compensation law or when he is disqualified under the law of the paying State.

ADMINISTRATION

SEC. 505. (a) The Administrator of Veterans' Affairs is authorized to administer this title and shall, insofar as possible, utilize existing facilities and services of Federal and State departments or agencies on the basis of mutual agreements with such departments or agencies. Such agreements shall provide for the filing of claims for veterans' unemployment compensation with the Administrator through established public employment offices and State unemployment compensation agencies. Such agencies, through agreement, shall also be utilized in the processing, adjustment, and determination of such claims and the payment of such compensation.

(b) The Administrator, consistent with the provisions of this title, shall prescribe such rules and regulations and require such records and reports as he may find necessary to carry out its purposes: *Provided, however*, That cooperative rules and regulations relating to the performance by Federal or State departments, or agencies, of functions under agreements made therewith may be made by the Administrator after consultation and advisement with representatives of such departments or agencies.

(c) The Administrator may delegate to any officer or employee of his own or of any cooperating department or agency of any State such of his powers and duties, except that of prescribing rules and regulations, as the Administrator may consider necessary and proper to carry out the purposes of this title.

(d) Compensation paid by the cooperating State agencies shall be repaid upon certification by the Administrator. The Secretary of the Treasury, through the Division of Disbursement of the Treasury, and without the necessity of audit and settlement by the General Accounting Office, shall pay monthly to the departments, agencies, or individuals designated, the amounts so certified.

(e) The Administrator shall from time to time certify to the Secretary of the Treasury for payment in advance or otherwise such sums as he estimates to be necessary to compensate any Federal department or agency for its administrative expenses under this title. Such sums shall cover periods of no longer than 6 months.

(f) The Administrator shall also from time to time certify to the Secretary of Labor such State departments or agencies as may be participating in the administration of this title, and the amount of the administrative expense incurred or to be incurred by a State under agreements made pursuant to this section. Upon such certification the Secretary of Labor shall certify such amount to the

Secretary of the Treasury, in addition to the amount, if any, payable by the Secretary of Labor under the provisions of section 302 (a) of the Social Security Act, as amended, and the additional amount so certified shall be paid to each State by the Secretary of the Treasury out of the appropriation for the Veterans' Administration.

(g) Any money paid to any cooperating agency or person, which is not used for the purpose for which it was paid shall, upon termination of the period covered by such payment or the agreement with such agency or person, be returned to the Treasury and credited to the current appropriation for carrying out the purpose of this title, or, if returned after the expiration of period covered by this title, shall be covered into the Treasury as miscellaneous receipts.

SEC. 506. (a) No person designated by the Administrator as a certifying officer shall, in the absence of gross negligence, or intent to defraud the United States, be liable with respect to the payment of any compensation certified by him under this title.

(b) No disbursing officer shall, in the absence of gross negligence, or intent to defraud the United States, be liable with respect to any payment by him under this title if it was based upon a voucher signed by a certifying officer designated by the Administrator.

SEC. 507. Any claimant whose claim for an allowance has been denied shall be entitled to a fair hearing before an impartial tribunal of the State agency or such other agency as may be designated by the Administrator. The representative of the Administrator located in each State shall be the final appellate authority in regard to contested claims arising in such State, subject to review by the Administrator.

DECISIONS AND PROCEDURES

SEC. 508. The authority to issue subpoenas and provisions for invoking aid of the courts of the United States in case of disobedience thereto, to make investigations, and to administer oaths, as contained in title III of the act of June 29, 1936 (49 Stat. 2033-2034; U. S. C., title 38, secs. 131-133), shall be applicable in the administration of this title.

PENALTIES

SEC. 509. Any claimant who knowingly accepts any compensation to which he is not entitled shall be ineligible to receive any further allowance under this title.

SEC. 510. (a) Whoever, for the purpose of causing an increase in any compensation authorized under this title, or for the purpose of causing any compensation to be paid where none is authorized under this title, shall make or cause to be made any false statement or representation as to any wages paid or received, or whoever makes or causes to be made any false statement of a material fact in any claim for any compensation under this title, or whoever makes or causes to be made any false statement, representation, affidavit, or document in connection with such claim, shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than \$1,000 or imprisoned for not more than 1 year, or both.

(b) Whoever shall obtain or receive any money, check, or compensation under this title, without being entitled thereto and with intent to defraud the United States, shall be punished by a fine of not more than \$1,000 or by imprisonment for not more than 1 year, or both.

DEFINITIONS

SEC. 511. As used in this title—

(a) The term "week" means such period or periods of seven consecutive calendar days as may be prescribed in regulations by the Administrator.

(b) The term "wages" means all remuneration for services from whatever sources, in-

cluding commissions and bonuses and the cash value of all remuneration in any medium other than cash.

On page 65, strike out lines 5 to 10, inclusive.

Renumber succeeding title and section numbers and references thereto accordingly.

Mr. FERGUSON. Mr. President, the amendment which I have just submitted is only a technical modification of the amendment which is now on the desks of the Senators. It provides for unemployment compensation for veterans of the Korean War.

First I wish to explain in general what the amendment will do and how it will be accomplished and then I wish to outline the difference between the amendment I have submitted and the amendment which is now on the desks of the Senators.

The sole purpose of the amendment is to provide veterans with the same measure of employment security as the employed nonveteran now enjoys.

The man who remains at home and works is ordinarily covered by the unemployment compensation laws of his State. My amendment would just extend that same coverage of the Korean veteran. It is no special favor to the veteran to make him eligible for ordinary treatment when his military service is the cause of his lack of eligibility.

It may be said that this amendment establishes another "52-20 Club" or gives the veteran an unearned year of vacation. But this is most definitely not the case. Furthermore, the amendment contains every restriction that I could devise to insure that it would only serve where needed. I have tried to eliminate every possible avenue of abuse.

I feel certain that this amendment will attract more criticism because of its safeguards and its restrictions than it will because of the benefits it might confer.

Here are the principal features of the amendment:

First. A veteran of the Korean war, as defined elsewhere in the bill, would be eligible for the maximum benefits provided by the State laws regarding unemployment compensation of the State in which he lived immediately prior to his entry into the armed services. The dollar value of the compensation and the number of weeks of payment would be the maximum provided for in the applicable State law.

Second. Every eligibility qualification established by State law for unemployment compensation would apply to the veteran except that his military service would substitute for employment in "covered industries" and residence requirements. In accordance with the terms of the State law, the veteran in order to be eligible for these compensation payments must be legitimately unemployed, seeking work, willing to work, and registered with the employment service.

Third. The veteran would not be eligible for benefits under this amendment until 3 months after his discharge. The bill before the Senate now provides for

mustering out pay—payable in three installments over the first 3 months following the veteran's discharge and it is my intention that he should not be eligible for this veterans unemployment compensation during the time he is receiving his mustering out pay.

Fourth. Under no circumstances would the veteran be eligible for any compensation under this title for any week beginning more than 15 months after his discharge. In other words, his eligibility for the compensation provided in this amendment is limited to 1 year.

Fifth. The veteran would not be eligible for any compensation under this amendment if he is employed, if he receives an education or training allowance, or if he is entitled to regular unemployment compensation under the State law or if he violates the State unemployment compensation laws, except as they relate to previous employment or residence.

Sixth. The administration of the program would be in the hands of the Administrator of Veterans' Affairs, but he would be empowered to make agreements with State and Federal agencies for the actual administration of the provisions of the amendment. It is contemplated that the actual administration would be carried out by the State unemployment compensation agencies in the same manner as the Servicemen's readjustment allowance program was handled. Administrative costs would be borne by the Federal Government, as would be the cost of the benefits under the amendment.

It may be alleged that the amendment will be the opening wedge in the federalization of the State unemployment compensation systems. Nothing could be further from the truth. Administratively, the amendment is similar to the provision of the Servicemen's Readjustment Act of 1944 and, to the best of my belief, no one has ever declared that that act sought to federalize the State unemployment commissions.

In brief, then, those are the things which this amendment will do.

The pending amendment differs from the amendment on the desks in that it provides greater safeguards to tie it more closely to the laws of the various States. The new version clarifies the section preventing duplication of payments and it eliminates the requirement for an agent in every State since it is unnecessary.

The estimated costs of this amendment for the first year after its adoption is less than \$60,000,000, and I believe the costs will be well below that because of the general high economic conditions of the country.

Mr. President, I ask unanimous consent to insert in the RECORD, as a part of my remarks, a comparison of my amendment with the provision of the original Servicemen's Readjustment Act.

There being no objection, the comparison was ordered to be printed in the RECORD, as follows:

Comparison of Ferguson amendment with provision of original Serviceman's Readjustment Act

	World War II Act	Ferguson amendment
1. Amount of payment.....	\$20 per week.....	Depends on State law; varies from \$16 to \$36.
2. Length of payments.....	52 weeks.....	Depends on State law, average believed to be about 20 weeks.
3. Start of program.....	Discharge of veteran.....	3 months after discharge.
4. Duration of program.....	2 years after discharge.....	15 months after discharge.
5. Disqualifications.....	Spelled out in act.....	State law applies.
6. Provision for self-employed.....	Eligible under act.....	Not eligible, no provision.
7. Administration.....	By VA through State agreements.....	By VA through State agreements.

Mr. HILL. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield.

Mr. HILL. The Senator made a statement in reference to this amendment and had it put into the RECORD. I read it carefully. It appeared in the RECORD of June 24. I think there is much merit in the amendment of the Senator. I do not care to cut off his speech, but, so far as I am concerned, I should be delighted to take the amendment to conference. It has merit, and it should be carefully considered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. FERGUSON].

The amendment was agreed to.

Mr. CASE. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from South Dakota.

The CHIEF CLERK. On page 69, line 17, it is proposed to strike out the period and insert:

Provided, That this shall not be construed to authorize payment of both such readjustment allowances and such reenlistment allowances which may be provided by other acts.

Mr. HILL. Mr. President, I think the Senator's amendment raises a question which should be raised. If he would like me to take it to conference, I shall be glad to do so.

Mr. CASE. I recognize that the language is hastily drawn. I hope the conferees will examine it carefully and see if it properly meets the situation that it is sought to meet.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. CASE].

Mr. HOLLAND. Mr. President, I have no objection to the adoption of the amendment and having it go to the conference, but I hope no amendment will be offered that will stand in the way of reenlistment pay. I think that probably should be encouraged rather than discouraged.

Mr. HILL. I think it is very much better that men voluntarily enlist than that they be forced into the service through the operation of selective service.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota.

The amendment was agreed to.

Mr. McFARLAND subsequently said: "Mr. President, I ask unanimous consent that a letter from Anna Rosenberg be printed in the RECORD just prior to the passage of House bill 7656."

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ASSISTANT SECRETARY OF DEFENSE,
Washington, D. C., June 27, 1952.

Hon. ERNEST W. McFARLAND,
United States Senate.

DEAR SENATOR McFARLAND: As you know, the Department of Defense strongly supports the Korean GI bill (H. R. 7656) which the House of Representatives approved by an overwhelming vote and which earlier this week was unanimously approved and reported by the Senate Committee on Labor and Public Welfare.

Because of your deep, long-standing interest in the welfare of our fighting men and our veterans, I am writing you to urge prompt and favorable action by the Senate on this important legislation.

The Korean GI bill which provides educational benefits; home, farm, and business loans; wage credits under the Social Security Act; mustering-out payments; and employment assistance for veterans of the Korean period is nothing more or less than simple justice for our veterans. Similar readjustment benefits were granted to our veterans of World War II. We cannot in conscience do less for our veterans of this period of fighting in Korea. The rate of discharge of these veterans is increasing daily so that early action becomes imperative in order that they may plan their futures and have an opportunity to avail themselves, without a wasteful waiting period, of the readjustment benefits which a grateful country will afford them.

The equity involved in providing these benefits for Korean veterans is clear. Many of these men, out of sudden military necessity, were called upon to disrupt their lives in order to serve their country a second time in the short space of 10 years. Tens of thousands of these men have served nobly and bravely under the most adverse conditions in Korea. Others have served on arduous duty in unpleasant posts throughout the world. All have left their civilian pursuits and have had their normal life interrupted.

While the other sections of the bill have received the most attention, the section providing social security wage credits for military service during the Korean period merits special note. For the past 2 years the Department of Defense has sought the enactment of the survivors benefit bill (H. R. 5594) to provide more adequate benefits for the surviving dependents of service personnel. I do not think it is generally recognized how inadequate is the provision made today for the survivors of our men who lose their lives in the uniform service of their country. While only a stopgap measure, the social-security provisions of H. R. 7656, in addition to providing wage credits which the veteran may carry over into civilian employ-

ment, would also provide much-needed survivors' insurance benefits to the surviving dependents of many servicemen killed on active duty. These benefits will be particularly helpful to the widows and children of enlisted personnel in the lower grades. There can be no question but that a fighting man who knows his family will be protected in the event he can no longer provide for them is a better fighting man than one who is constantly beset by the fear that his death will bring want and privations to his loved ones.

In the interest of equity and justice for our Korean veterans, and for the families of the men who have given their lives in the service of their country, the Department most earnestly urges prompt and favorable action by the Senate on H. R. 7656.

Sincerely yours,

ANNA M. ROSENBERG.

The PRESIDING OFFICER. Are there any further amendments? If not, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. HILL. Mr. President, I ask that the bill may be printed with the Senate amendments numbered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HILL. Mr. President, I move that the Senate insist upon its amendments, ask for a conference thereon with the House of Representatives, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. HILL, Mr. DOUGLAS, Mr. PASTORE, Mr. AIKEN, and Mr. IVES conferees on the part of the Senate.

Mr. MORSE subsequently said: Mr. President, I wish to take a few minutes to discuss the veterans' education bill which was passed earlier this afternoon while I was not in the Chamber.

Mr. McKELLAR. Mr. President, will the Senator from Oregon speak a little louder?

Mr. MORSE. I should like to take a few minutes on the veterans' education bill which the Senate passed earlier this afternoon while I was not on the floor. I was attending a meeting of the subcommittee of the Committee on Armed Services, which is considering proposals of the three branches of the armed services with respect to funds for public works installations of the Military Establishment. Therefore I was not on the floor when the Senator from Alabama [Mr. HILL] presented the report on H. R. 7656 in behalf of the Committee on Labor and Public Welfare.

Because the subject matter to which I shall address myself will necessarily be in conference, I wish to make a very brief record on it this afternoon, so that the Senator from Alabama, when he goes to conference, will have a record of my objections to one section of the bill. He is familiar with my views because as a member of the Committee on Labor and Public Welfare I voted with the minority on this point in committee. As I recall,

the vote difference between the majority and the minority in committee was a difference of two votes.

Speaking of section 232, there is a basic difference in the provisions of this section of the bill as it was passed by the House and as it has been reported to the Senate by the Committee on Labor and Public Welfare for favorable consideration. This basic difference goes to the very heart of the entire measure as recommended by the House Committee on Veterans' Affairs and as enacted by the House after many months of study and consideration.

Under the House version as set forth in H. R. 7656, referred to as the Teague bill, the eligible veteran would be paid an education and training allowance in the nature of a scholarship to meet in part his expenses of subsistence, supplies, books and equipment. This allowance would be uniform for each veteran depending upon the type of program selected and his dependency status.

Under the bill as it is now before the Senate, the veteran would still be paid an education and training allowance but this allowance would be split into two parts. The veteran would receive a basic allowance to meet in part his expenses of subsistence, supplies, books and equipment. This basic allowance would be uniform for all veterans depending upon the type of program selected and the dependency status. In addition to the basic education and training allowance, the eligible veteran pursuing a course in an educational institution on more than half-time basis would receive an extra education and training allowance to meet in part the expenses of his tuition and fees up to a maximum of \$40 per month but not to exceed the amount of such charges for tuition and fees as the institution might require the veteran to pay. The bill before the Senate more nearly reverts to the plan now contained in Public Law 346—the so-called GI bill of rights for World War II veterans—in that it separates the allowance for subsistence and the allowance for tuition and fees.

The crux of this matter is as follows:

The House version reestablishes and preserves the historic relationship between the institution and the student. It restores normal and traditional competitive statuses between the high-tuition and the low tuition instruction which existed throughout the centuries prior to the GI bill. The Senate version has as its purpose the continuance of an artificial competitive advantage enjoyed by high-tuition colleges under the GI bill.

Some of the disadvantages of the plan now before the Senate are as follows:

First. It provides a varying allowance to each individual veteran. For example, take the case of two veterans having the same period of service subsequent to June 27, 1950, both without dependents but one selecting an institution where the tuition charges equal or exceed \$40 per month and the other selecting a course in an institution where the tuition and fee charges amount to only \$10 per month. Under the House

version, each of these veterans would draw an educational allowance of \$110 per month to be used in any way the veteran saw fit to aid him in meeting his expenses while attending his elected course. Under the version as now before the Senate, the veteran selecting the higher-priced course would receive a basic allowance of \$80 per month for subsistence and a tuition allowance of \$40 per month for tuition and fees or a total allowance of \$120 per month. The veteran selecting the lower-cost institution would receive a basic allowance of \$80 per month for subsistence plus \$10 per month for tuition and fees or a total allowance of \$90 per month. This places the amount of the benefit on the basis of the course or institution selected by the veteran and not on the service rendered by the veteran to his country while serving in the Armed Forces. This is discrimination.

Second. Under the provisions of the bill now before the Senate, the veteran loses his personal stake in the cost of his course of training since he merely transmits to the institution the amount of the allowance provided under the law for his tuition and fees. This to a large extent destroys the basic concept as contained in the House version wherein it was determined that the veteran should have a greater stake in his own training.

Third. The provisions of the version of the bill before the Senate destroy the basic concept in the House version that the price to be paid for education and training by a veteran should be fixed through normal competition, rather than through the amount of money the institution is able to secure from the Federal Government. The tendency on the part of institutions will be to make \$40 a month the floor for tuition and fee charges, and the veteran will not be personally concerned, inasmuch as the amount of money he personally will have available to spend on his education, other than for tuition and fees, will be fixed, regardless of the amount the institution is able to secure through the veteran from the Federal Government for tuition and fees.

Fourth. The provision in the Senate version of the bill to base the extra allowance on the institutions' charge for tuition and fees is an open invitation to institutions to raise their tuition charges not only to veterans but to all students. Experience under the GI bill, where the Government was paying the institution directly for tuition and fees up to a maximum of \$500 per ordinary school year, clearly demonstrated that the tendency of the institution was to raise its charges up to the maximum permitted to be paid by the Government under the law.

Fifth. The version of the bill now before the Senate presents administrative difficulties which are almost insurmountable. Each veteran's allowance would have to be computed individually, and this allowance would be subject to change, depending upon whether the student dropped courses, added courses, or made other changes in his program. This arrangement leads the way for continued disputes between the Veterans'

Administration and the educational institutions as to the amount of payments to be made to an institution by the Government through the veteran, a situation which caused considerable concern both to the institutions and to the Government under the GI bill.

Sixth. This provision before the Senate is an open invitation to public non-profit institutions furnishing education or training in courses conducted exclusively for veterans, such as the institutional on-farm training courses and certain adult and elementary academic and vocational educational courses offered by public schools, to assess charges against the Government, to be collected through the veteran at the maximum of \$40 a month. In these types of situations there will be few, if any, nonveteran students who will participate in the courses, and there will be no established tuition or fee charges, other than that maximum permitted to be charged to the Government under this law. In these cases the veteran will have no concern as to the amount of the charges.

Seventh. The arrangement as proposed in the Senate version of the bill will present added administrative difficulties to educational institutions, in that the institutions would have to report every course adjustment that would in any way affect the fees to be paid. In addition, disputes are bound to arise as to the amount of the allowance payable to an individual veteran. This will place the veteran in the middle between the Federal Government and the educational institution. Under the House version, the institution can deal with the veteran on the same basis as that on which it deals with any other student attending the institution.

Eighth. The payment of the educational allowance under the plan contained in the Senate version of the bill will in many cases involve delays in the total payment to the veteran. This is so because the allowance must be computed each month and must be changed for any slight change in the fee charges made by the institution to the veteran because of a change in the veteran's program. This possibility would be entirely eliminated under the House plan, by which the allowance to the veteran is made uniform, without regard to the amount of the charge made by the institution to the veteran for his course.

Ninth. Under the provisions of the version of the bill now before the Senate, when the tuition and fee charges exceed \$40 a month, the institution will look to the Government for part of the fee and to the veteran for part. This will lead to confusion and dispute between the institution, the veteran, and the Government.

Tenth. Mr. President, I wish to make this general criticism of the Senate version of the bill, which I think is much less desirable than is the House version. When we boil down the Senate version to its real essence on this point of the amount of money to be allowed the veteran we cannot escape the conclusion that the Senate version takes the form

of a subsidy to private educational institutions in the United States.

I happen to believe that it is unsound public policy for us, by the method of indirection provided by this version of the bill, to sanction a principle which amounts to one of using the money of the taxpayers of the United States as a subsidy to private educational institutions. It is one thing for us to support public institutions with public money; but it is quite a different thing for us to use the money of the taxpayers to provide what I consider this bill to provide, namely, a hidden, indirect subsidy to private institutions.

I sincerely hope that when the bill is in conference the conferees on the part of the Senate will come to recognize what I believe to be the clear superiority of the House version of the bill, because the House version can be justified in toto, insofar as this principle is concerned; namely, the principle of having the money go to the individual veteran. We can justify turning over the money to private schools as a matter of public policy.

We should let the veteran decide whether he wishes to attend a private institution which may charge a larger amount of tuition—and if the veteran does attend such an institution, he himself must make up the difference—or whether he wishes to attend a public institution which will charge a smaller amount of tuition. It is important that the veteran be able to make that decision, because he may be in such a financial situation that if he is to attend any institution at all, he will have to attend an institution which makes a low tuition charge, with the result that he will use part of the money available to him to pay that small charge, and will use the remainder of the money to help pay his living costs. It is important for us to make possible such an arrangement, because without it many veterans may not be able to attend any school at all. Our objective is to help the veteran obtain an education.

I stress that point, because this bill takes care of only part of the expenses a veteran has in going to school. In making that payment, I say we should make the payment to the veterans, and not to the private institutions of the United States. Insofar as the attendance of students is concerned—be they veterans or nonveterans—let the private institutions stand on the same basis as that on which they stand before the passage of this measure. Let the private schools compete for students, be they veterans or nonveterans, without receiving a direct or indirect subsidy from the Federal Government.

For that reason, I opposed this particular private school subsidy provision of the bill when it was before our committee, and I urge the adoption of what I believe to be the much sounder principle which is set out in the House version.

Furthermore, Mr. President, in the committee it was pointed out—I do not know whether this matter has already been discussed here on the floor of the Senate—that in our country there are

several States, such as California and New York, that have some institutions in which no tuition at all is charged. An attempt is being made in this bill, therefore, to try to have us take that situation into account, and, by means of this measure, to provide that a certain amount of the funds shall be set aside for tuition purposes, so that those institutions will receive the same amount of money that is received by an institution which charges tuition.

Mr. President, on that point I say that is not the responsibility of the Federal Government. Let New York, California, or any other State which has existing within it such a situation, correct the situation on a State basis. I believe it is quite wrong, as a matter of policy, for the Federal Government to say to the State of California or the State of New York, "Because you have not by means of your State legislature rectified that situation, we are now going to give you special treatment by means of this bill, and are going to provide that schools in your State which do not charge any tuition to nonveterans, nevertheless will receive by means of this bill an amount of money equivalent to the amount which schools which do charge tuition exact from their students."

Mr. President, I say it is a mistake for us to pass an educational bill which involves that principle, for that is the way—by little steps such as that—to begin to walk down the road toward real Federal interference with the educational system of the Nation.

Let me say, Mr. President, that the private schools which are so anxious to have this financial discrimination in their favor set out in this bill—as it is set out in the Senate version of the bill, but is not set out in the House version, will find as time passes that the House version of the bill is in the best, long-time interest of the private educational institutions. They should not want any form of governmental intervention in their educational program, even though for the time being it takes the form of what appears to be a nice little plum and hand-out to them, in the form of a subsidy of this type.

Mr. President, I close by saying that the sound principle we should adopt is to make the money available to the veteran, and then give the veteran the freedom to decide for himself at what school or institution he wishes to spend the money.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1953

Mr. McFARLAND. Mr. President, heretofore I had advised the Senate that Calendar No. 1671, H. R. 5767, the so-called fair-trade bill, would be considered after disposing of the bill upon which we have just voted. Yesterday, I inadvertently gave notice that Calendar 1644, H. R. 401, to amend the Nationality Act would be considered. I intended to give notice of the taking up of Calendar No. 1671, H. R. 5767, as I had stated in a previous notice.

Since this morning the chairman of the Committee on Appropriations, the senior Senator from Tennessee [Mr. McKellar], said it was very important that the Senate dispose of the Military Defense appropriation bill at as early a date as possible, because the bill is large, and will have to go to conference, and the time before adjournment is limited.

I have at all times stated that priority would be given to appropriation bills. It will be impossible to finish consideration of the bill this evening, but we could proceed with it and make some progress.

I ask unanimous consent, Mr. President, because a point of order may be made against proceeding with the bill at this time—

Mr. FERGUSON. Would it not be possible to take up the bill with an understanding by unanimous consent that Senators may present amendments to committee amendments.

Mr. McFARLAND. I was just going to include that in my unanimous-consent request. I should like to state it, and see if there is any objection to it.

I ask unanimous consent that the Senate now proceed to the consideration of Calendar 1789, H. R. 7391, and dispose of all possible committee amendments; and that any Senator desiring to offer amendments to the committee amendments on Monday may be permitted to do so.

The PRESIDING OFFICER (Mr. HOEY in the chair). Is there objection to the unanimous-consent request of the Senator from Arizona? The Chair hears none, and it is so ordered.

The Senate proceeded to consider the bill (H. R. 7391) making appropriations for the Department of Defense and related independent agencies for the fiscal year ending June 30, 1953, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

ORDER OF BUSINESS

Mr. CASE. Mr. President, reserving the right to object, will the distinguished majority leader state what taking up the defense appropriation bill would do with respect to consideration of either the fair trade bill or the amendments to the Nationality Act? Will the defense appropriation bill be laid aside to consider them, in case we should have the time this afternoon, or are they to be put over until the defense appropriation bill is passed.

Mr. McFARLAND. The defense appropriation bill is a rather long and complicated bill. I do not believe we could reach either of the other bills this afternoon. As a matter of fact, with respect to the nationality bill, I gave notice inadvertently. I do not know whether we can reach it. I shall wish to consult with the chairman of the committee. However, I will state that we will endeavor to bring up the fair trade bill as soon as possible. It is now 10 minutes past 3. By the time we have listened to an explanation of the defense appropriation bill and have adopted as many committee amendments as pos-

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued July 1, 1952

For actions of June 30, 1952

82nd-2nd, No. 116

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: House passed price-support levels bill. House concurred in Senate amendments to sea-water research bill. Ready for President. Conferees agreed to file reports on agricultural and independent-offices appropriation bills. House passed bill reducing minimum allotments on burley tobacco. House passed bill to combine two insect-research stations. House committee reported weather-control study bill.

HOUSE

- 1. PRICE SUPPORTS.** Passed without amendment H. R. 8122, which would continue dual parity for two additional years (through 1955) and would continue 90%-of-parity price supports on basic commodities for a similar period; by a 207-121 vote (pp. 8690-705). Rejected, 21-67, a Javits amendment to eliminate the dual-parity provision (pp. 8698-9). Rejected, 43-62, a Hays of Ohio amendment to eliminate peanuts from the 90%-loan provision (pp. 8699-704). Rejected, 79-165, a Javits motion to recommit the bill (pp. 8704-5).
- 2. APPROPRIATIONS.** The conferees on H. R. 7314, the agricultural appropriation bill, agreed to file a report thereon (p. D670).
The conferees on H. R. 7072, the independent offices appropriation bill, agreed to file a second (revised) conference report (p. D670). Earlier in the day Rep. Sheppard was appointed as a substitute conferee for Rep. Gore (p. 8669).
House conferees were appointed on H. R. 7216, the D. C. appropriation bill; H. R. 7313, the legislative appropriation bill; and H. R. 7268, the Army civil functions appropriation bill (pp. 8667, 8670, 8688). Senate conferees have been appointed on these bills.
- 3. RESEARCH.** Concurred in the Senate amendments to H. R. 6578, to authorize the Interior Department, in cooperation with other public and private agencies, to conduct research and demonstrations on the use of sea water for irrigation, etc. (pp. 8667-9). This bill will now be sent to the President.

The Interstate and Foreign Commerce Committee reported without amendment S. 2225, to provide for a study and evaluation of weather control (H. Rept. 2360) (p. 8713).

The Interstate and Foreign Commerce Committee reported with amendment H. J. Res. 218, to provide for intensified research into the causes, hazards, and effects of air pollution, into methods for its prevention and control and for recovery of critical materials from atmospheric contaminants (H. Rept. 2359) (p. 8713).

Passed as reported H. R. 7952, to authorize the combination of the Truck Crop Insect Laboratory and the Citrus Insect Laboratory of E&PQ at Alhambra and Whittier, Calif. (p. 8674).

4. TOBACCO ALLOTMENTS. Passed as reported H. R. 8170, to permit burley tobacco farm acreage allotments to be reduced to a minimum of 7/10 acre, provided that no allotment of 1 acre or less may be reduced more than 1/10 acre per year (pp. 8674-5).

5. LAND TRANSFER. Passed without amendment S. 2603, to authorize return to Oregon, for fish-hatchery use, a 2-acre tract which had previously been donated by that State for USDA use (p. 8674). This bill will now be sent to the President.

6. CHEMICALS IN FOODS. Received a report from the Delaney Committee (H. Rept. 2356) (p. 8713). The "Daily Digest" states: "In the report tribute is paid to the food industry, stating that the industry is entitled to considerable credit for the progress of research in the field of nutrition, and that this has resulted in an improvement in the health and nutritional status of millions. The committee stated, however, that the evidence had convinced it that the public is nevertheless in need of additional protection against small, irresponsible elements, as well as against the possible inadvertent mistakes of reputable food processors and premature enthusiasms of chemical manufacturers." (p. D669.)

7. EMERGENCY POWERS. The conferees on H. J. Res. 477, to continue various emergency war powers, agreed to file a report (p. D670).

8. VETERANS' BENEFITS. House conferees were appointed on H. R. 7656, the GI Bill of Rights for veterans of the Korean conflict (p. 8667). Senate conferees have been appointed.

9. PUERTO RICO. Agreed to the conference report on H. J. Res. 430, approving the Puerto Rican constitution (p. 8669).

10. BUILDINGS. Concurred in the Senate amendment to H. J. Res. 393, authorizing Government buildings and grounds to be used in connection with the 1953 inauguration (pp. 8669-70). This bill will now be sent to the President.

11. IMPORT CONTROLS. Rep. Andresen gave his analysis of the changes made by the conferees in the import-control provision of S. 2594, the defense production bill (pp. 8672-3).

12. FOREIGN TRADE. Rep. Smith, Miss., said the "Buy-American" policy is a "costly fallacy" (pp. 8705-8).

13. PUBLIC-LAND LAWS. Rep. Bentsen urged that the Interior and Insular Affairs Committee prepare a proposed revision of the public-land laws instead of having a commission to perform this task (pp. 8710-12).

14. INVESTIGATIONS. Agreed, as reported, to H. Res. 263, providing \$150,000 additional for investigations of the Expenditures Committee (p. 8712).



United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 82^d CONGRESS, SECOND SESSION

Vol. 98

WASHINGTON, MONDAY, JUNE 30, 1952

No. 116

House of Representatives

The House met at 12 o'clock noon.

Rev. A. T. Sprouse, pastor, First Methodist Church, Jasper, Ala., offered the following prayer:

Eternal Father, we here offer unto Thee our hearts' devotion in gratitude and praise for the heritage which is ours.

Make us worthy of the continuation of Thy love divine, which hast led us in the past. Thou hast brought us from perilous beginnings to this day of grace. Thou hast given us wise statesmen and gallant defenders. And now we ask Thy presence in this Congress. Endow with wisdom these who here plan the Nation's future, and strength of purpose to those who seek to lift the spiritual level of the Republic. Divinely inspire these Thy servants, leaders of the people, in every decision to be made. Make our Nation as great in soul as she is mighty in territory, and give her people depth of righteousness that they may fulfill their destiny as a nation and evermore walk humbly before Thee. Amen.

THE JOURNAL

The Journal of the proceedings of Saturday, June 28, 1952, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Landers, its enrolling clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 7656. An act to provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HILL, Mr. DOUGLAS, Mr. PASTORE, Mr. AIKEN, and Mr. IVES to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 241) entitled "An act to amend the Merchant Marine Act, 1936, as amended, to further promote the development and maintenance of the American merchant marine, and for other purposes"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. McMAHON, Mr. O'CONOR, Mr. BREWSTER, and Mr. WILLIAMS to be the conferees on the part of the Senate.

SENATE ENROLLED BILL SIGNED

The SPEAKER. The Chair desires to announce that pursuant to the authority granted him on Saturday, June 28, 1952, he did on Sunday, June 29, 1952, sign the following enrolled bill of the Senate:

S. 2594. An act to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, and for other purposes.

CONSIDERATION OF CONFERENCE REPORTS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order for the House to consider conference reports received by the House during this week on the day they are reported in, notwithstanding the fact that they are not printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. YATES. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7216) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1953, and for other purposes, with Senate amendments thereto, disagree to the

Senate amendments, and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. YATES, Mr. FURCOLO, Mr. WHITTEN, Mr. JACKSON of Washington, Mr. STOCKMAN, Mr. WILSON of Indiana, and Mr. H. CARL ANDERSEN.

VOCATIONAL READJUSTMENT RESTORING LOST EDUCATIONAL OPPORTUNITIES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7656) to provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. RANKIN, Mr. TEAGUE, Mr. ROGERS of Texas; Mrs. ROGERS of Massachusetts, and Mr. O'KONSKI.

RESEARCH INTO PRACTICAL MEANS FOR ECONOMICAL PRODUCTION FROM SEA OR OTHER SALINE WATERS

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6578) to provide for correlation and coordination of research into practical means for the economical production, from sea or other saline waters, of water suitable for agricultural, industrial, municipal, and other beneficial consumptive uses, and for other purposes, with Senate

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amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert "That, in view of the acute shortage of water in the arid areas of the Nation and elsewhere and the excessive use of underground waters throughout the Nation, it is the policy of the Congress to provide for the development of practicable low-cost means of producing from sea water, or from other saline waters, water of a quality suitable for agriculture, industrial, municipal, and other beneficial consumptive uses on a scale sufficient to determine the feasibility of the development of such production and distribution on a large-scale basis, for the purpose of conserving and increasing the water resources of the Nation.

"Sec. 2. In order to carry out the purposes of this act, the Secretary of the Interior, acting through such agencies of the Department of the Interior as he may deem appropriate, is authorized—

"(a) by means of research grants and contracts as set forth in subsection (d) of this section to conduct research and technical development work, to make careful engineering studies to ascertain the lowest investment and operating costs, and to determine the best plant designs and conditions of operation;

"(b) to study methods for the recovery and marketing of byproducts resulting from and incident to the production of water as herein provided for the purpose of ascertaining the possibilities of offsetting the costs of water production in any area by the commercial utilization of such products;

"(c) to acquire, by purchase, license, lease, or donation, secret processes, technical data, inventions, patent applications, patents, licenses, land and any interest in land (including water rights, easements, and leasehold interests), plants and facilities, and other property or rights: *Provided*, That the land or other property acquired hereunder shall not exceed that necessary to carry on the experiments and demonstrations for the purposes herein provide;

"(d) to engage, by noncompetitive contract or otherwise, chemists, physicists, engineers, and such other personnel as may be deemed necessary, and any educational institution, scientific organization, or industrial or engineering firm deemed suitable to do any part of the research or other work, and to the extent appropriate to correlate and coordinate the research and development work of such educational institutions, scientific organizations and industrial and engineering firms; and

"(e) to cooperate with any other Federal, State, or municipal department, agency, or instrumentality, and with any private person, firm, educational institution, or other organization in effectuating the purpose of this act.

"Sec. 3. Research undertaken by the Secretary of the Interior under the authority contained in this act shall be coordinated or conducted jointly with the Department of Defense to the greatest practicable extent compatible with military and security limitations, to the end that research and developments under this act which are primarily of a civil nature will contribute to the defense of the Nation and that research and developments in the same field which are primarily of a military nature and are conducted by the Department of Defense will be made available to advance the purposes of this act and to strengthen the civil economy of the Nation.

"Sec. 4. The Secretary of the Interior is authorized, for the sole purpose of this act, to dispose of all water and other products produced as a result of his operations under this

act pursuant to regulations to be prescribed by him: *Provided*, That nothing in this act shall be construed to alter existing law with respect to the ownership and control of water.

"Sec. 5. All moneys received for products of the plants under this act shall be paid into the Treasury as miscellaneous receipts.

"Sec. 6. The Secretary of the Interior shall make reports to the President and the Congress at the beginning of each regular session of the action taken or instituted by him under the provisions of this act. The report shall include suitable recommendations for further legislation.

"Sec. 7. The Secretary of the Interior may issue rules and regulations to effectuate the purposes of this act.

"Sec. 8. There are authorized to be appropriated, from any funds in the Treasury not otherwise appropriated, such sums, not to exceed \$2,000,000, for a 5-year period, to carry out the provisions of this act: *Provided*, That departmental expenses for the correlation and coordination of information over such 5-year period shall not exceed the sum of \$500,000: *Provided further*, That such departmental expenses shall be scheduled in equal amounts for each year of such period insofar as practicable."

Amend the title so as to read: "An act to provide for research into and development of practical means for the economical production, from sea or other saline waters, of water suitable for agricultural, industrial, municipal, and other beneficial consumptive uses, and for other purposes."

Mr. MARTIN of Massachusetts. Reserving the right to object, will the gentleman explain the Senate amendments?

Mr. ENGLE. Mr. Speaker, the Senate amendments rewrote the House bill in different language but for substantially the same purpose as the bill which passed the House. The Senate increased the authorized appropriation from \$1,000,000 to \$2,000,000.

Mr. Speaker, I ask unanimous consent to extend at this point copy of a letter addressed to me by the Secretary of the Interior dealing with this bill, showing his agreement with us as to the purpose and scope of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

(The letter referred to follows:)

UNITED STATES
DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D. C., June 30, 1952.

Hon. CLAIR ENGLE,
Chairman, Reclamation and Irrigation
Subcommittee, Committee on Interior
and Insular Affairs, House of Representatives,
Washington, D. C.

MY DEAR CLAIR: In response to your request, I am writing to confirm Mr. Lineweaver's representations to you that it is the firm position of the Secretary of the Interior and the Department of the Interior that H. R. 6578 in the form now pending before the House of Representatives does not authorize the Secretary to acquire and operate a demonstration plant in connection with the conversion of salt and brackish waters to potable uses. While the Department recommended such authority, the bill as it now stands, in my opinion, clearly rejects that authorization.

In view of the explicit language in H. R. 6578 as passed by the House and amended in the Senate, together with the discussions in committee and on the floor, the legislative history of this bill is clear that the Congress intended to deny any authority to the

Secretary to acquire and operate a demonstration plant.

I am instructing Mr. Lineweaver, who will continue as my representative in the activation and coordination of this program if the legislation is enacted and funds provided by the Congress, to explain more fully to you and your colleagues my position should any further question arise.

Sincerely yours,

OSCAR L. CHAPMAN,
Secretary of the Interior.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. JENKINS. Mr. Speaker, I shall not object to the passing of this bill, on the contrary I am much in favor of it and I hope it passes. I should like to ask the gentleman if the gentleman from Ohio [Mr. Bow], a member of the committee is in full agreement with the bringing up of this matter at this time.

Mr. ENGLE. The gentleman from Ohio is in agreement with me. I consulted with Mr. Bow. Unfortunately he is not back yet from a trip he made to Ohio over the week end; but I assure the gentleman that I have consulted with him and the other Republican members of the committee and they are in agreement.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. MURDOCK. Mr. Speaker, it is highly gratifying to me to have the Senate version of H. R. 6578 adopted by the House a few moments ago. The House bill under that same number was, of course, satisfactory to me and had my full support. There is little difference in the two measures and the action just taken will avoid a conference and insure enactment in these crowded closing days.

Although I have never personally introduced a bill covering this subject matter of desalting sea water, I have strongly endorsed the several bills introduced by various members from California and have sponsored and supported the legislation through several sessions of Congress. The benefits resulting from this legislation likely are not local but are Nation-wide and world-wide. If I should confine my thinking to my own State, however, I can conceive of benefits resulting from this legislation to the State of Arizona equaling such benefits to any sea-coast State. I feel certain that our scientists will discover one of the great secrets of nature how to purify saline waters, or brackish water, to make them fit for human consumption and other consumptive uses.

Perhaps certain groups of scientists have already virtually "licked this problem," or have discovered methods of treating saline waters in quantity and inexpensively and now need only some encouragement from the Government to demonstrate the practicability of their

July 3, 1952

32. ST. LAWRENCE WATERWAY. The Public Works Committee reported without amendment S. J. Res. 167, to authorize certain States to enter compacts and agreements with Canada for improvement of navigation on the boundary waters of States within the Great Lakes-St. Lawrence River drainage system (S. Rept. 2091)(p. 9298).
33. FAIR EMPLOYMENT. The Labor and Public Welfare Committee reported without amendment S. 3368, to prohibit discrimination in employment because of race, color, religion, national origin, or ancestry (S. Rept. 2080)(p. 9298).
34. BANKING AND CURRENCY. The report of the Joint Committee on the Economic Report regarding "monetary policy and management of the public debt" was ordered to be printed as S. Doc. 163 (p. 9299).
35. INTERIOR APPROPRIATION BILL, 1953. Both Houses agreed to the conference report and acted on amendments which had been reported in disagreement regarding H.R. 7176 (pp. 9302-3, 9320-32). The House rejected, 50-298, a motion by Rep. Andersen to recommit the bill to conference with instructions that the House conferees agree to a \$2,913,600 item for a Bureau of Reclamation transmission line in Minn. (p. 9328). This bill will now be sent to the President.

HOUSE - July 3

36. ELECTRIFICATION; FLOOD CONTROL. Rep. McCormack inserted President Truman's speech at Bull Shoals, Ark., favoring the administration's electrification and flood-control program, etc. (pp. 9316-18).
37. STATE, JUSTICE, COMMERCE, JUDICIARY APPROPRIATION BILL, 1953. Received the conference report on this bill, H. R. 7289 (pp. 9332-4). By a 184-157 vote, agreed to a motion by Rep. Taber to recommit the bill to conference with instructions that the House conferees agree to the Senate amendment prohibiting the expenditure of any expenses incident to or in connection with participation in the International Materials Conference (pp. 9334-42).
38. BUDGETING. By a 155-173 vote, rejected the rule for consideration of S. 913, the McClellan bill to create a joint budget committee, etc. (pp. 9343-5, 9348-53).
39. COMMITTEE NAME. Agreed, with amendment, to H. Res. 647, which changes the name of the Committee on Expenditures in the Executive Departments to the Committee on Government Operations (p. 9344).
40. SUBMARGINAL LANDS. Passed as reported H. R. 7317, to provide for the sale to Hope, N. Mex., of a tract of SCS submarginal land for \$1,950, the original purchase price (p. 9345).
41. WEED CONTROL AND RESEARCH. Passed without amendment S. 1041, to authorize the Interior Department, with respect to lands under its jurisdiction, and the Agriculture Department, with respect to other public and private lands, to conduct research and control operations against halogeton (pp. 9345-6). This bill will now be sent to the President.
42. VETERANS' BENEFITS. Received the conference report on H. R. 7656, the GI Bill of Rights for veterans of the Korean conflict (pp. 9354-69). The "Daily Digest" states: "As agreed upon by the conferees, the bill provides education and training for all veterans serving anywhere on or after June 27, 1950, at the rate of 1½ days for each day of service and a maximum of 36 months with

education and training allowances of \$110 per month for a single veteran, \$135 per month for a married veteran with one dependent, and \$160 a month for the married veteran with more than one dependent. All money for education is paid direct to the veteran.

"The same housing guaranties as were available to World War II veterans are made available to veterans of the present conflict. These include direct loans by the VA up to \$10,000 in certain instances where private financing is not available and guaranties not to exceed \$7,500.

"Unemployment compensation with appropriate safeguards, and to be administered under State laws, is provided at the maximum rate of \$26 per week for 26 weeks.

"The same mustering-out payments as awarded World War II veterans are provided these veterans, namely, \$100 for veterans with less than 60 days' service, \$200 for more than 60 days and restricted to the U. S., and \$300 for those serving more than 60 days and with overseas service." (p. D699.)

43. WITHHOLDING PAY. Passed with amendment S. 1999, authorizing and directing the Secretary of the Treasury to enter into an agreement with any State, Territory, or possession of the U. S., or any political subdivision thereof, to provide that the head of each department or agency of the U. S. Government shall comply with the requirements of any statute of such State, Territory, possession, or subdivision, which imposes upon employers generally the duty of withholding pay from employees (pp. 9369-70).

BILLS INTRODUCED - July 3

44. SUBMARGINAL LANDS. S. 3459, by Sen. Chavez, authorizing the conveyance of certain lands to the town of Hope, N. Mex.; to Agriculture and Forestry Committee (p. 9177).
45. FLOOD CONTROL. S. 3463, to authorize a program for runoff and waterflow retardation and soil-erosion prevention for the Pecos River watershed, N. Mex. and Tex.; to Public Works Committee (p. 9177).
46. ROADS. S. 3464, by Sen. Chavez, to amend and supplement the Federal-Aid Highway Act of 1952; to Public Works Committee (p. 9177).

ITEMS IN APPENDIX - July 3

47. PRICE SUPPORTS. Extension of remarks of Rep. Polk stating that "one of the most baseless charges...is that the commodity market for corn, wheat, and soybeans was artificially depressed in 1948 by the Democratic administration for political purposes to the detriment of American farmers" and inserting a letter and summary of facts by Secretary Brannan refuting these charges (pp. A4433-9).
48. FOREIGN AID. Sen. Smith (N. J.) inserted a U. S. News and World Report questions-and-answers statement, "A 25-Year Job Ahead in Europe," discussing the results of American aid and the role American capital will play in the economic development of foreign countries (pp. A4439-45).
49. POTATOES. Rep. Werdel inserted a San Francisco newspaper article, "Let's Stop This Tragedy of Errors," opposing price ceilings on potatoes and stating that such ceilings were "for political expediency or gain (pp. A4446-7).
50. PRICE CONTROL. Speech in the House by Rep. Barrett saying the defense production bill was inadequate and opposing removal of price controls on fresh fruits and vegetables (p. A4452).

VETERANS' READJUSTMENT ASSISTANCE ACT OF 1952

JULY 3, 1952.—Ordered to be printed

Mr. RANKIN, from the committee of conference, submitted
the following

CONFERENCE REPORT

[To accompany H. R. 7656]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7656) to provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 4, 11, 12, 13, 14, 15, 16, 17, 20, 23, 26, 27, 28, 35, 36, 37, 42, 43, 44, 45, 46, 58, 59, 60, 61, 68, 69, 82, 84, 97, 98, 108, 114, and 115.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 8, 9, 31, 32, 40, 41, 48, 50, 51, 52, 53, 54, 55, 56, 57, 62, 63, 64, 65, 67, 71, 73, 74, 75, 77, 78, 79, 80, 85, 86, 99, 100, 101, 102, 103, 104, 105, 106, 107, 109, 110, 111, 112, and 113, and agree to the same.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken by the Senate amendment and insert in lieu thereof the following: *the unemployment compensation benefits*,; and the Senate agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out by the Senate amendment, insert the matter proposed to be inserted by the Senate

amendment, and on page 5, line 24, of the House engrossed bill strike out "1" and in lieu thereof insert 20; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows:

Strike out the matter proposed to be stricken out by the Senate amendment and insert in lieu thereof the following: *Notwithstanding the foregoing provisions of this section, an eligible veteran may not pursue a program of education or training at an educational institution or training establishment which is not located in a State, unless such program is pursued at an approved educational institution of higher learning. The Administrator in his discretion may deny or discontinue the enrollment under this title of any veteran in a foreign educational institution if he finds that such enrollment is not for the best interest of the veteran or the Government.*; and the Senate agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows:

Omit the matter proposed to be inserted by the Senate amendment and on page 10, line 3, of the House engrossed bill, after the word "veteran", insert *(except an eligible veteran whose program has been interrupted or discontinued due to his own misconduct, his own neglect, or his own lack of application)*; and the Senate agree to the same.

Amendment numbered 10:

That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *eighty-five per centum*; and the Senate agree to the same.

Amendment numbered 18:

That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *\$135*; and the Senate agree to the same.

Amendment numbered 19:

That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *dependent, or at the rate of \$160 per month, if he has more than one dependent*; and the Senate agree to the same.

Amendment numbered 21:

That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *\$100*; and the Senate agree to the same.

Amendment numbered 22:

That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *dependent, or at the rate of \$120 per month, if he has more than one dependent*; and the Senate agree to the same.

Amendment numbered 24:

That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *\$60*; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *dependent, or at the rate of \$80 per month, if he has more than one dependent*; and the Senate agree to the same.

Amendment numbered 29:

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *\$110*; and the Senate agree to the same.

Amendment numbered 30:

That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *dependent, or (3) \$130 per month, if he has more than one dependent*; and the Senate agree to the same.

Amendment numbered 33:

That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out by the Senate amendment, omit the matter proposed to be inserted by the Senate amendment, and on page 17, lines 22 and 23, of the House engrossed bill strike out "(1) \$225 per month, if he has no dependent, or (2)"; and the Senate agree to the same.

Amendment numbered 34:

That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out by the Senate amendment, omit the matter proposed to be inserted by the Senate amendment, and on page 17, lines 23 and 24, of the House engrossed bill strike out "per month, if he has one" and in lieu thereof insert \$310 per month; and the Senate agree to the same.

Amendment numbered 38:

That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: \$110; and the Senate agree to the same.

Amendment numbered 39:

That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *dependent, or (3) \$130 per month, if he has more than one dependent*; and the Senate agree to the same.

Amendment numbered 47:

That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *: Provided, That the Administrator shall not define full-time apprentice training for a particular establishment other than that established as the standard work-week through bona-fide collective bargaining between employers and employees*; and the Senate agree to the same.

Amendment numbered 49:

That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows:

Restore the matter proposed to be stricken out by the Senate amendment, and on page 22, line 12, of the House engrossed bill strike out "\$31" and in lieu thereof insert \$10; and the Senate agree to the same.

Amendment numbered 66:

That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *and the Director, Bureau of Apprenticeship, Department of Labor*; and the Senate agree to the same.

Amendment numbered 70:

That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

(d) The Administrator may, after reasonable notice and public hearings, waive in writing the application of this section in the case of any officer or employee of the Veterans' Administration, of the Office of Education, or of a State approving agency, if he finds that no detriment will result to the United States or to eligible veterans by reason of such interest or connection of such officer or employee.

And the Senate agree to the same.

Amendment numbered 72:

That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

(b) The Administrator shall pay to each educational institution which is required to submit reports and certifications to the Administrator under this title, an allowance at the rate of \$1.50 per month for each eligible veteran enrolled in and attending such institution under the provisions of this title to assist the educational institution in defraying the expense of preparing and submitting such reports and certifications. Such allowances shall be paid in such manner and at such times as may be prescribed by the Administrator, except that in the event any institution fails to submit reports or certifications to the Administrator as required by this title, no allowance shall be paid to such institution for the month or months during which such reports or certifications were not submitted as required by the Administrator.

And the Senate agree to the same.

Amendment numbered 76:

That the House recede from its disagreement to the amendment of the Senate numbered 76, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out by the Senate amendment, insert the matter proposed to be inserted by the Senate amendment, and on page 49, line 10, of the House engrossed bill strike out "1" and in lieu thereof insert 20; and the Senate agree to the same.

Amendment numbered 81:

That the House recede from its disagreement to the amendment of the Senate numbered 81, and agree to the same with an amendment, as follows:

Strike out the matter proposed to be stricken out by the Senate amendment and in lieu thereof insert ; *SUBSTANTIAL DEFICIENCIES IN HOUSING*; and the Senate agree to the same.

Amendment numbered 83:

That the House recede from its disagreement to the amendment of the Senate numbered 83, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out by the Senate amendment and in lieu thereof insert:

“(c) The Administrator shall have the right to refuse to appraise any dwelling or housing project owned, sponsored, or to be constructed by any person identified with housing previously sold to veterans under this title as to which substantial deficiencies have been discovered, or as to which there has been a failure or indicated inability to discharge contractual liabilities to veterans, or as to which it is ascertained that the type of contract of sale or the methods or practices pursued in relation to the marketing of such properties were unfair or unduly prejudicial to veteran purchasers.”

And the Senate agree to the same.

Amendment numbered 87:

That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

TITLE IV—UNEMPLOYMENT COMPENSATION FOR VETERANS OF SERVICE ON OR AFTER JUNE 27, 1950

And the Senate agree to the same.

Amendment numbered 88:

That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

COMPENSATION FOR VETERANS UNDER STATE AGREEMENTS

SEC. 401. (a) *The Secretary is authorized on behalf of the United States to enter into an agreement with any State, or with the agency administering the unemployment compensation law of such State, under which such State agency (1) will make, as agent of the United States, payments of compensation to veterans, in accordance with the provisions of this title, and (2) will otherwise cooperate with the Secretary, and with other State agencies, in making payments of compensation under this title.*

(b) *Any such agreement shall, except as provided in section 408, provide that compensation at the rate of \$26 per week will be paid by the State to any veteran in such State with respect to weeks of unemployment (not in excess of a total of 26 weeks) which occur after the ninetieth day after the date of the enactment of this Act: Provided, however, That if a veteran is eligible to receive mustering-out payment under section 502 of this Act, he shall not be eligible to receive compensation under this title with respect to weeks of unemployment completed within thirty days after his dis-*

charge or ninety days after the date of the enactment of this Act, whichever date is the later, if he receives \$100 in such mustering-out payment; within sixty days after his discharge or ninety days after the date of the enactment of this Act, whichever date is the later, if he receives \$200 in such mustering-out payment; or within ninety days after his discharge or ninety days after the date of the enactment of this Act, whichever date is the later, if he receives \$300 in such mustering-out payment.

(c) Any such agreement shall provide that any determination by a State agency with respect to entitlement to compensation pursuant to an agreement under this section shall be made in accordance with the State unemployment compensation law, insofar as such law is applicable, and shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in such manner and to such extent.

(d) Each agreement shall provide the terms and conditions upon which it may be amended or terminated.

And the Senate agree to the same.

Amendment numbered 89:

That the House recede from its disagreement to the amendment of the Senate numbered 89, and agree to the same with an amendment, as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

COMPENSATION FOR VETERANS IN ABSENCE OF STATE AGREEMENTS

SEC. 402. (a) In the case of a veteran who is in a State which has no agreement under this title with the Secretary, the Secretary, in accordance with regulations prescribed by him, shall, upon the filing by such veteran of a claim for compensation under this subsection, make payments of compensation to him in the same amounts and for the same periods as provided in section 401 (b). Any determination by the Secretary with respect to entitlement to compensation under this subsection shall be made in accordance with the State unemployment compensation law of the State in which the veteran is insofar as such law is applicable.

(b) In the case of a veteran who is in Puerto Rico or in the Virgin Islands, the Secretary, in accordance with regulations prescribed by him, shall, upon the filing by such veteran of a claim for compensation under this subsection, make payments of compensation to him in the same amounts and for the same periods as provided in section 401 (b). Any determination by the Secretary with respect to entitlement to compensation under this subsection shall be made in accordance with the unemployment compensation law of the District of Columbia, insofar as such law is applicable.

(c) Any veteran whose claim for compensation under subsection (a) or (b) of this section has been denied shall be entitled to a fair hearing in accordance with regulations prescribed by the Secretary. Any final determination by the Secretary with respect to entitlement to compensation under this section shall be subject to review by the courts in the same manner and to the same extent as is provided in section 205 (g) of title II of the Social Security Act, as amended, with respect to final decisions of the Administrator under such title.

(d) The Secretary may utilize for the purposes of this section the personnel and facilities of the agencies in Puerto Rico and the Virgin

Islands cooperating with the United States Employment Service under the Act of June 6, 1933 (48 Stat. 113), as amended. For the purpose of payments made to such agencies under such Act, the furnishing of such personnel and facilities shall be deemed to be a part of the administration of the public employment offices of such agencies.

And the Senate agree to the same.

Amendment numbered 90:

That the House recede from its disagreement to the amendment of the Senate numbered 90, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

PAYMENTS TO STATES

SEC. 403. (a) Each State shall be entitled to be paid by the United States an amount equal to the payments of compensation made by such State under and in accordance with an agreement under this title.

(b) In making payments pursuant to subsection (a) of this section there shall be paid to the State, either in advance or by way of reimbursement, as may be determined by the Secretary, such sum as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any sum by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made upon the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency.

(c) The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State sums payable to such State under this section. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payment to the State in accordance with such certification, from the funds for carrying out the purposes of this title.

(d) All money paid to a State under this title shall be used solely for the purposes for which it is paid; and any money so paid which is not used for such purposes shall be returned, at the time specified in the agreement under this title, to the Treasury and credited to current applicable appropriations, funds, or accounts from which payments to States under this title may be made.

(e) An agreement under this title may require any officer or employee of the State certifying payments or disbursing funds pursuant to the agreement, or otherwise participating in its performance, to give a surety bond to the United States in such amount as the Secretary may deem necessary, and may provide for the payment of the cost of such bond from funds for carrying out the purposes of this title.

(f) No person designated by the Secretary, or designated pursuant to an agreement under this title, as a certifying officer, shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to the payment of any compensation certified by him under this title.

(g) No disbursing officer shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment

by him under this title if it was based upon a voucher, signed by a certifying officer designated as provided in subsection (f) of this section.

(h) For the purpose of payments made to a State under title III of the Social Security Act, administration by the State agency of such State pursuant to an agreement under this title shall be deemed to be a part of the administration of the State unemployment compensation law.

(i) Until such time as funds are appropriated to carry out the provisions of this title, any funds available to the Department of Labor for "Grants to States for unemployment compensation and employment service administration" are hereby made available for expenditures necessary to carry out the provisions of this title: Provided, That any such expenditures made or obligations incurred shall be adjusted and charged to any applicable appropriation, fund, or authorization whenever a law is enacted which contains such applicable appropriation, fund, or authorization.

And the Senate agree to the same.

Amendment numbered 91:

That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

INFORMATION

SEC. 404. (a) All Federal departments and agencies are directed to make available to State agencies which have agreements under this title or to the Secretary, as the case may be, such information with respect to military service of any veteran as the Secretary may find practicable and necessary for the determination of such veteran's entitlement to compensation under this title.

(b) The agency administering the unemployment compensation law of any State shall furnish to the Secretary such information as the Secretary may find necessary or appropriate in carrying out the provisions of this title, and such information shall be deemed reports required by the Secretary for the purposes of paragraph (6) of subsection (a) of section 303 of the Social Security Act, as amended.

And the Senate agree to the same.

Amendment numbered 92:

That the House recede from its disagreement to the amendment of the Senate numbered 92, and agree to the same with an amendment, as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

PENALTIES

SEC. 405. (a) Whoever makes a false statement or representation of a material fact knowing it to be false, or knowingly fails to disclose a material fact, to obtain or increase for himself or for any other individual any payment authorized to be paid under this title or under an agreement thereunder shall be fined not more than \$1,000 or imprisoned for not more than one year, or both.

(b) Any person who makes, or causes to be made by another, a false statement or representation of a material fact knowing it to be false or

knowingly fails, or causes another to fail, to disclose a material fact, and, as a result thereof, has received any amount as compensation under this title to which he was not entitled, shall be liable to repay such amount to the State agency or the Secretary, as the case may be, for the fund from which the amount was paid or, in the discretion of the State agency or the Secretary, as the case may be, to have such amount deducted from any future compensation payable to him under this title within the two-year period following the finding, if the existence of such nondisclosure or misrepresentation has been found by a court of competent jurisdiction or in connection with a reconsideration or appeal.

And the Senate agree to the same.

Amendment numbered 93:

That the House recede from its disagreement to the amendment of the Senate numbered 93, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

REGULATIONS

SEC. 406. The Secretary is hereby authorized to make such rules and regulations as may be necessary to carry out the provisions of this title. The Secretary shall insofar as practicable consult with representatives of the State unemployment compensation agencies before prescribing any rules or regulations which may affect the performance by such agencies of functions pursuant to agreements under this title.

And the Senate agree to the same.

Amendment numbered 94:

That the House recede from its disagreement to the amendment of the Senate numbered 94, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

DEFINITIONS

SEC. 407. When used in this title—

(a) *The term "veteran" means any person who has served in the active service in the Armed Forces at any time on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, and who has been discharged or released from such active service under conditions other than dishonorable after continuous service of ninety days or more, or by reason of an actual service-incurred injury or disability.*

(b) *The term "compensation" means the money payments to individuals with respect to their unemployment.*

(c) *The term "Secretary" means the Secretary of Labor.*

(d) *The term "State" includes Hawaii, Alaska, Puerto Rico, the Virgin Islands, and the District of Columbia.*

(e) *The term "Armed Forces" means the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard of the United States.*

And the Senate agree to the same.

Amendment numbered 95:

That the House recede from its disagreement to the amendment of the Senate numbered 95, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

NONDUPLICATION OF BENEFITS

SEC. 408. (a) Notwithstanding any other provision of this title, no payment shall be made under any agreement under this title, or, in the absence of such an agreement, by the Secretary under this title, to a veteran for—

(1) any week or any part of a week he is eligible (or would be eligible except for the provisions of this title or except for any action taken by such veteran under this title) to receive unemployment benefits at a rate equal to or in excess of \$26 per week under any Federal or State unemployment compensation law,

(2) any period with respect to which he receives an education and training allowance under subsection (a), (b), (c), or (d) of section 232 of this Act or a subsistence allowance under part VII or part VIII of Veterans Regulation Numbered 1 (a), as amended, or

(3) any period he receives additional compensation necessary for his maintenance under section 6 (b) (2) of the Federal Employees Compensation Act as amended.

(b) In any case in which, for any week or any part of a week, a veteran is eligible for payment of compensation under this title and is also eligible (or would be eligible except for the provisions of this title or except for any action taken by such veteran under this title) to receive for such week or such part of a week unemployment benefits at a rate less than \$26 per week under any Federal or State unemployment compensation law, such veteran may elect to receive payment of compensation under this title; but if the veteran so elects, the amount of compensation payable under this title shall be reduced by the amount of such compensation benefits for which such veteran is eligible (or would be eligible except for the provisions of this title or except for any action taken by such veteran under this title) under such Federal or State unemployment compensation law.

(c) If the veteran elects under subsection (b) to receive payment of compensation under this title, he shall be entitled to compensation at the rate of \$26 per week after the exhaustion of State unemployment benefits until the total compensation received under this title equals \$676.

(d) Under no circumstances shall any veteran receive compensation under this title from more than one State at one time or in a total amount in excess of \$676.

And the Senate agree to the same.

Amendment numbered 96:

That the House recede from its disagreement to the amendment of the Senate numbered 96, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

TERMINATION

SEC. 409. No compensation shall be paid under this title for any week commencing more than five years after the date determined by Presidential proclamation or concurrent resolution of the Congress prescribed in section 407 (a).

And the Senate agree to the same.

J. E. RANKIN,
OLIN E. TEAGUE,
WALTER ROGERS,
EDITH NOURSE ROGERS,
ALVIN E. O'KONSKI,

Managers on the Part of the House.

LISTER HILL,
PAUL H. DOUGLAS,
JOHN O. PASTORE,
GEORGE AIKEN,
I. M. IVES,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The conference agreement largely conforms to the bill as passed by the House.

The House version provided that courses should be initiated no later than September 1, 1954, or 2 years after discharge or release. The Senate amendment provided for August 1, 1954, and the conference agreement provides that courses must be initiated by August 20, 1954.

The House version had precluded any training outside the United States except in the Republic of the Philippines. The Senate struck out this provision. The conference agreement permits the taking of courses in institutions of higher learning above the secondary school level in foreign countries. The conferees wish to stress that this program of education should be most carefully supervised. The conference agreement provides that the Veterans' Administration may discontinue benefits to any veteran in a foreign school where his conduct is detrimental to the best interests of the United States.

The one change of program by the veteran is retained as provided in the House version with language which the conferees believe will further strengthen this safeguard in the case of veterans who fail to apply themselves.

The section relating to avocational and recreational courses has had the flight training portion removed, inasmuch as this type of training is covered by very strong safeguards in another section of the bill.

The House version required that at least 25 percent nonveterans should be enrolled in any course offered by a proprietary profit or proprietary nonprofit school before a veteran could be enrolled. The Senate had reduced this requirement to 10 percent. The conference agreement provides for 15 percent. The conferees emphasized that the Veterans' Administration must be alert to subterfuges by schools that might attempt to pay tuition of nonveterans in an effort to evade this requirement. The House bill required that certain schools to be eligible for participation in this program must have been in existence for 2 years. The Senate reduced that to 1 year immediately prior to enrollment of the veteran. The agreement retains the 2-year period.

As passed by the House, the bill provided education and training allowance of \$110 a month for a veteran taking a full-time course and who has no dependents, or \$150 a month for a veteran with dependents, to be paid at the end of each month upon proper certification by the veteran and the school. From this amount the veteran is required to pay all of his expenses incident to his education or training. The version reported by the Committee on Labor and Public Welfare and passed by the Senate set up an entirely new formula. It reduced the subsistence allowance for the veteran to \$80 where the veteran was single and provided that he should have paid to him an additional sum not to exceed \$40 a month to meet the cost of tuition. The Senate amendment provided that the Veterans' Administration would determine the fair and reasonable rates in any school with less than 15 percent nonveterans enrolled. This provision violated the basic spirit

and intent of the measure as passed by the House and thus the House conferees strongly resisted the inclusion of this amendment. The conference agreement provides that the \$40 a month payment of tuition is to be stricken from the bill and that the system provided in the House approved measure shall apply, with the exception that the rates shall be \$110 a month for a veteran taking a full-time course and who has no dependents, \$135 for a veteran with one dependent, and \$160 a month for a veteran with more than one dependent.

For on-the-job training the House bill set the ceiling of allowances and earnings at \$225 for a veteran with no dependents; \$300 if he has more than one dependent. The version as passed by the Senate provides for \$225 if the veteran has no dependent, \$275 if he has one dependent, and \$310 if he has more than one dependent. For reasons of equity the conferees have eliminated the category involving the dependency status of the veteran and have set the one figure of \$310 per month for a ceiling as the amount a veteran may receive as allowances and earnings under this bill, regardless of his dependency status. It is believed that this will work more equitably and at the same time reduce administrative costs.

A proviso has been added that the Administrator shall not define a full-time course of apprentice training for a particular establishment other than that established as a standard work week through bona fide collective bargaining agreements. This provision was not in the House bill; however, the managers have agreed to accept it.

The House bill made it mandatory that the Administrator, upon a finding that an institution has charged an eligible veteran an amount in excess of the established charges for nonveterans, disapprove such educational institution for the enrollment of veterans. The Senate version granted this power, but on a discretionary basis. The conference agreement adopts the Senate position.

The House bill provided that in the case of tax-supported public educational institutions which do not have established charges for tuition which it requires nonveteran residents to pay, such institution may charge an eligible veteran an amount equal to the estimated cost of teaching personnel and supplies, but not to exceed \$31 per month. The Senate bill eliminated that provision and the conference agreement restores it, but with a limitation of not to exceed \$10 per month for a full-time course.

Where the State fails to establish a State-approving agency, or where the State asks the Federal Government to act in its behalf, this authority is to be exercised by the Administrator of Veterans' Affairs, as provided in the bill as passed by the Senate. The conferees have adopted this position, although the House version provided for the Commissioner of Education to act in this case.

Related to the above is authority to approve certain courses which the House had lodged in the Commissioner of Education and the Senate in the Administrator of Veterans' Affairs. The conference agreement provides that the authority be centered in the Administrator.

Section 244 provides that the Administrator shall utilize the service of the Office of Education in developing cooperative agreement between State and local agencies relating to the approval of courses of education. This provision was included in the bill as passed by the House and had been eliminated by the Senate. The conference agreement provides for its restoration in its original form.

The Administrator of Veterans' Affairs is directed to form an advisory committee to assist him in the administration of this act. The Commissioner of Education had been made an ex officio member by the House bill and the Secretary of Labor had been added by the Senate bill. The conference agreement provides that the Commissioner of Education and the Director of the Bureau of Apprenticeship shall be ex officio members but not the Secretary of Labor.

In cases where it is found that an officer and employee of the Veterans' Administration or the Office of Education has a conflict of interests between his duties as a Government official and his interest in a school, severe penalties are made applicable. As passed by the House, there was no discretionary authority contained in this application. The Senate added the provision which permitted the waiving of this requirement by the Veterans' Administration where it is shown that the interest of the employee will result in no detriment to the United States or to eligible veterans. This discretionary authority has been retained by the conference agreement.

The Senate bill authorized the Administrator to pay educational institutions which are required to submit certain reports and certifications an allowance for each full-time eligible veteran or a pro-rated part thereof for a part-time veteran. No such provision was in the House bill. The conference agreement provides for a payment to the educational institution of \$1.50 per month for each eligible veteran enrolled in and attending such institution, to be made in such manner and at such time as the Administrator may prescribe.

The criminal penalties section has been retained as passed by the House with the exception that the specific forfeiture provision included in the House version has been eliminated. By including the provisions of section 15 of Public Law 2 for application to this act, the same forfeiture provisions now in effect under other programs apply to the veteran violating one of the provisions of the education and training title.

The effective date had been set by the House as September 1, 1952. The Senate changed this date to August 1. The conference agreement provides that it shall be effective as of August 20.

The appropriations of the Veterans' Administration for administration of medical, hospital, and domiciliary benefits and readjustment benefits are made available for expenditure for the provisions of the education title of this act.

TITLE III—LOANS

As passed by both the House and the Senate and as provided in the conference agreement, the loan-guaranty sections of the Servicemen's Readjustment Act of 1944 are made available to the veterans with service on or after June 27, 1950.

The version as passed by the House provided that the seller of a newly constructed dwelling for initial occupancy should give to the veteran purchaser a warranty. The Senate bill eliminated this provision and the conference agreement conformed to the Senate bill.

The House also granted authority for the Administrator to refuse to appraise dwellings or housing projects which were owned, sponsored or constructed by a person identified with housing previously sold to veterans as to which substantial deficiencies had been discovered.

The Senate bill eliminated that provision. The conference agreement provides for its restoration.

The House bill added a new section to title III of the Servicemen's Readjustment Act which empowered the Administrator to refuse to guarantee or insure loans where it is found that the lender or holder has failed to maintain a loan accounting record or for other reasons specified in the act. The Senate version eliminated this section and the conference agreement provides for its retention in the form approved by the House.

SOCIAL SECURITY CREDITS

Title IV of the bill as previously passed by the House provided for \$160 a month credit for social-security purposes. This section was stricken by the Senate and the conference agreed to eliminate this title on the assurance that a similar provision in H. R. 7800 will be enacted during the present session of Congress.

UNEMPLOYMENT COMPENSATION

As passed by the House, no unemployment compensation was included in the bill and provision was made in the mustering-out section that mustering-out payments should be in lieu of unemployment compensation or readjustment benefits. The Senate, however, added a section which generally made the veteran eligible for benefits to which he would be entitled under the State laws. The conference agreement in substance provides that the veteran shall be entitled to a maximum benefit of \$26 per week for a maximum period of 26 weeks. This provision will be administered by the Secretary of Labor under existing agreements and contracts with the States. The benefit cost and the cost of administration would be paid by the Federal Government.

MUSTERING-OUT PAYMENT

Under World War II law each veteran serving less than 60 days was awarded, upon discharge, a mustering-out payment of \$100 for service of less than 60 days with service in this country. The payment was \$200 where the serviceman served more than 60 days. For service of more than 60 days and service overseas the payment was \$300. The same provisions for identical purposes are made applicable to men serving on or after June 27, 1950, with the section to be administered by the Secretary of the service in which the man served. The amendment added by the Senate providing that the mustering-out allowance should not be paid in addition to a reenlistment bonus was eliminated by the conference agreement inasmuch as the conferees believed that these payments are for separate purposes and should be treated as such.

An amendment was added in the Senate authorizing the veterans to take courses from the United States Armed Forces Institute within a period of 2 years after their discharge or release. This had been suggested by several veterans now serving in Korea and was eliminated after discussion by the conferees.

For the convenience of Members, a comparison of the text as passed by the House and Senate follows:

COMPARISON OF H. R. 7656 AS PASSED HOUSE, SENATE, AND CONFERENCE AGREEMENT

Title.....	H. R. 7656 ¹ as passed House "Veterans' Readjustment Assistance Act of 1952"	H. R. 7656 as passed Senate Same.....	Conference agreement Same.
EDUCATIONAL AND VOCATIONAL ASSISTANCE PROVISIONS			
Definitions:			
(1) Basic service period.....	Period beginning June 27, 1950, and ending by Presidential proclamation or congressional concurrent resolution.	Same.....	Same.
(2) Eligible veteran ²	Active service during basic service period; discharge or release other than dishonorable; 90 days' active service or subjects leading to Single or plural courses or subjects leading to predetermined objective.	Same.....	Same.
(3) Program of education or training.....	Organized unit of subject matter.....	Same.....	Same.
(4) Course.....	Child, dependent parent, wife, dependent husband.....	Same.....	Same.
(5) Dependent.....	All categories of schools, colleges, universities, etc.	Same.....	Same.
(6) Educational institution.....	Business or other establishment providing apprentice or other training-on-job.	Same.....	Same.
(7) Training establishment.....	Army, Navy, Air Force, Marine Corps, and Coast Guard.	Same.....	Same.
(8) Armed Forces.....	All States, Territories, possessions, and the District of Columbia.	Same.....	Same.
(9) State.....	Administrator of Veterans' Affairs.	Same.....	Same.
(10) Administrator.....	United States Commissioner of Education.	Same.....	Same.
(11) Commissioner.....	Initiation by Sept. 1, 1954, or 2 years after discharge, whichever later; completion 7 years after discharge or end of "emergency."	Same except initiation by Aug. 1, 1954.	Aug. 20, 1954.
Time limits.....	Requires continuous pursuit of program on and after last date for initiation subject to right of suspension for periods not exceeding 12 consecutive months, or longer, if approved by Administrator.		
Entitlement.....	1½ days for each day of service up to 36 months. Entitlement ending after major part of semester or quarter is extended to termination thereof.	Same.....	Same.

See footnotes at end of table, p 22.

COMPARISON OF H. R. 7656 AS PASSED HOUSE, SENATE, AND CONFERENCE AGREEMENT—Continued

Title.....	H. R. 7656 ¹ as passed House "Veterans' Readjustment Assistance Act of 1952"	H. R. 7656 as passed Senate Same.....	Conference agreement Same.
EDUCATIONAL AND VOCATIONAL ASSISTANCE PROVISIONS—Continued			
Selection, application, and approval of program.	Veteran may select program leading toward predetermined objective at institution of choice, except no education furnished in foreign schools other than in the Philippines. Must apply to Administrator who shall approve unless he finds veteran does not meet requirements of bill or is already qualified.	Same.....	Same.
Change of program.....	1 change prior to initiation limit; 1 change after initiation limit if no prior change and subject to approval.	Same.....	Same.
Avocational and recreational courses.	Certain courses prohibited. Other listed courses and additional ones found to be recreational or avocational by Administrator may be pursued only on submission of justification.	Same.....	Same.
Minimum nonveteran enrollment.	At least 25 percent required with certain exceptions.	10 percent required.....	15 percent.
Period of operation for approval..	Course not approvable unless in operation for 2 years or more, subject to certain exceptions.	1 year or more.....	2 years.
Institutions listed by Attorney General under Executive Order 9835.	Enrollment or payment of allowance for any course in such an institution is barred.	Same.....	Same.
Education and training allowance.	Administrator would pay veteran a "package" allowance covering his tuition, subsistence, and supplies, except that in certain cases only amount covering tuition and fees to be payable. No payments direct by the Government to institution.	2 checks as indicated below—1 for subsistence and 1 for tuition.	Same as passed by House.
Schedule of rates:			
Full-time instruction.....	\$110, no dependents; \$150, with dependents.....	\$80, no dependents; \$105, 1 dependent; \$130, more than 1 dependent.	\$110; \$135; \$160.
¾-time instruction.....	\$80, no dependents; \$110, with dependents.....	\$60, no dependents; \$80, 1 dependent; \$100, more than 1 dependent.	\$80; \$100; \$120.
½-time instruction.....	\$50, no dependents; \$70, with dependents.....	\$40, no dependents; \$50, 1 dependent; \$70, more than 1 dependent.	\$50; \$60; \$80.
Full-time instruction and supplemental on-job training.	\$90, no dependents; \$120, with dependents.....	\$75, no dependents; \$95, 1 dependent; \$115, more than 1 dependent.	\$90; \$110; \$130.

Apprenticeship or other on-job training. Institutional on-farm training.	\$70, no dependents; \$95, with dependents. \$95, no dependents; \$120, with dependents.	\$70, no dependents; \$85, 1 dependent; \$105, more than 1 dependent. \$70, no dependents; \$85, 1 dependent; \$105, more than 1 dependent. <i>In addition not to exceed \$40 per month is allowed for tuition for full time course; money to be paid to veterans.</i>	\$70, \$85, \$105 \$95; \$110; \$130. Same. Same.
Correspondence courses, flight training, and courses of less than 4 months' reduction formula.	Special provisions apply, gearing educational and training allowance to institutional charges only. Allowances for apprentice and other on-job training and institutional on-farm training subject to reduction for each 4 months as course progresses in accordance with mathematical formula. On-job allowances subject to reduction when the allowances plus compensation paid to veteran for productive labor performed as part of course exceed \$225 per month if no dependents, \$300, with dependents. Below college trade courses with shop practice requires 30 hours per week minimum; below college course in which theoretical or classroom instruction predominates requires a minimum of 25 hours per week; undergraduate college course requires minimum of 14 semester hours or equivalent; other full-time training to be defined by Administrator.	Same. Same. Same, except \$225, no dependents; \$275, 1 dependent; and \$310, more than 1 dependent. Same.	Same. Same. \$310 for all classes. Same.
Income ceilings			
Full-time courses			
Overcharges by institution.	Administrator to disapprove institution if institution charges or receives in excess of established charges for nonveterans. Authorizes up to \$31 for full-time courses for certain tax-supported schools not having nonveteran resident fees.	Administrator may disapprove. No provision.	Same as Senate. Same as House but not to exceed \$10 per month.
Approval of courses.	Approval by State approving agencies and in certain instances by Commissioner of Education. Administrator may use services of other Federal agencies. Bill directs utilization of service of Office of Education in certain particulars.	Approval by State approving agencies and in certain instances by <i>Veterans' Administration</i> . Same.	Same.
Use of Federal agencies			
Payment for certain State expenses.	Administrator authorized to contract for payment to State and local agencies for necessary salary and travel expenses in ascertaining qualifications of institution and supervising same and furnishing other requested services. Provides detailed standards for on-the-job, on-farm, and all institutional courses (accreditation procedure employable in lieu of standards for certain established courses).	Same.	Same.
Standards for approving courses.			

See footnotes at end of table, p. 22.

COMPARISON OF H. R. 7656¹ AS PASSED HOUSE, SENATE, AND CONFERENCE AGREEMENT—Continued

Title.....	H. R. 7656 ¹ as passed House "Veterans' Readjustment Assistance Act of 1952"	H. R. 7656 as passed Senate Same.....	Conference agreement Same.
EDUCATIONAL AND VOCATIONAL ASSISTANCE PROVISIONS—Continued			
Disapproval of course and discontinuance of allowance.	State agency to disapprove course which fails to meet requirements. Administrator authorized to discontinue allowance to veteran if he finds that course fails to meet requirements or if institution has violated any provision.	Same.....	Same.
Regulations and review of payments by GAO. Educational and vocational guidance.	Administrator authorized to issue necessary regulations. Review by GAO provided. Administrator authorized to provide such service and reimburse veteran for traveling expenses incident thereto where advancement is required by Administrator. Administrator directed to form advisory committee composed of educators and including Commissioner of Education, ex officio.	Same..... Same.....	Same. Same.
Advisory committee.....	Standard provision precluding Federal supervision or control of State agencies and institutions.	Similar, including representatives of education, labor, and management.	Similar to Senate version.
Control by Federal agency prohibited.	Employees of V.A. Office of Education or State agency having pecuniary interest in profit institutions to be dismissed, courses disapproved by State if conflicting interests develop.	Same.....	Same.
Conflicts of interests.....	Provides for recovery from institution of overpayment of allowance to vet resulting from (1) willful or negligent failure of institution to report excessive absence, etc., or (2) false certification by institution.	Same, but with discretionary authority for waiting when no conflict found.	Similar to Senate version.
Recovery of overpayments.....	Administrator not to make payments to any person who has willfully submitted false or misleading claims.	Same.....	Same.
False or misleading statements.....	No provision.....	Same.....	Same.
Payment to schools for services.....	Person who knowingly and willfully makes false statement or commits certain other defined acts to forfeit all rights and benefits under the program and under Public Law 2, 73d Cong., as amended, and upon conviction could be fined up to \$500 or imprisoned up to 6 months, or both. Person violating such provisions who is not affected by forfeiture could be fined up to \$5,000 or imprisoned up to 3 years, or both.	Payment to each school for filing reports and submitting certificates. Person violating such provision could be fined up to \$5,000, or imprisoned up to 3 years, or both.	\$1.50 payment per month per veteran. Same as Senate version.
Criminal penalties and forfeitures.			

Waiver of overpayments-----	Contains standard provision for waiver of recovery of overpayments of training allowance where Administrator finds that the person is not at fault and recovery would defeat purpose of benefits otherwise authorized or would be against equity and good conscience.	Same-----	Same.
Federal Trade Commission-----	Required to keep State agencies advised of information available to FTC which might be of assistance to State agencies in carrying out their duties.	Same-----	Same.
Veterans' Education Appeals Board.	No provisions, as payments to institutions not involved under the bill.	Same-----	Same.
Effective date of educational and training provisions.	Effective on enactment but no education and training allowances payable for period prior to Sept. 1, 1952.	Effective date Aug. 1, 1952-----	Aug. 20, 1952.
Participation in U. S. Armed Forces Institute courses by veterans.	No provision-----	Courses may be initiated within 2 years after discharge or release.	No provision.

LOAN ASSISTANCE

Service group and nature of benefit.	Extends title III of SRA (guaranty and insurance of home, farm, and business loans, and direct home loans in certain cases) to veterans of service on or after June 27, 1950, and prior to a date to be determined.	Same-----	Same.
Additional amendments to present law.	Makes certain other amendments to title III of SRA, including (1) specific authority to require advance approval of certain loans notwithstanding automatic guaranty provision; (2) requirements that new home construction meet minimum standards for planning and general acceptability as well as construction standards; (3) construction warranty to veteran purchaser for initial occupancy; (4) authority to refuse appraisal of housing handled by persons with poor record as to dealings with veteran purchaser; and (5) authority to exclude from future loan guaranties lenders with record of dealings detrimental to veteran or Government.	No warranty, no provision to refuse appraisal, no authority to exclude from future loans certain lenders.	Warranty eliminated, otherwise as passed by House.

See footnotes at end of table, p. 22.

COMPARISON OF H. R. 7656 AS PASSED HOUSE, SENATE, AND CONFERENCE AGREEMENT—Continued

Title.....	H. R. 7656 ¹ as passed House "Veterans' Readjustment Assistance Act of 1952"	H. R. 7656 as passed Senate Same.....	Conference agreement Same.
SOCIAL SECURITY, UNEMPLOYMENT COMPENSATION, AND MUSTERING-OUT PAYMENT BENEFITS			
Old-age and survivors insurance.....	Gives \$160 credit for each month spent in the service on or after June 27, 1950, and prior to a date to be determined. No provision.....	No provision.....	No provision
Unemployment compensation.....	Grants \$100 for veterans serving less than 60 days, \$200 for veterans serving more than 60 days and with service overseas. Includes up to and including the rank of captain in the Army and Air Force and lieutenant, senior grade, in the Navy.	Gives credit for service in Armed Forces, benefits based on State laws. Same.....	Maximum, \$25 per week for 26 weeks under State laws. Same.
JOB ASSISTANCE			
Employment benefits.....	Grants preference in employment based on service on or after June 27, 1950, and prior to a date to be determined.	Same.....	Same.

¹ The other titles of H. R. 7656 would provide old-age and survivors insurance credits, mustering-out payments, and employment assistance.² Veteran ineligible for education and training while in active service. Under SRA, veteran reentering service may receive the benefit, not including subsistence.³ Any period during which assigned to a civilian institution for a course of education or training which is substantially the same as established courses offered to civilians or as a cadet or midshipman is excluded.

Also, for the convenience of the Members, the text as agreed upon follows:

AN ACT To provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—SHORT TITLE AND STATEMENT OF POLICY

SHORT TITLE

SEC. 101. This Act may be cited as the "Veterans' Readjustment Assistance Act of 1952".

STATEMENT OF POLICY

SEC. 102. The Congress of the United States hereby declares that the veterans' education and training program created by this Act is for the purpose of providing vocational readjustment and restoring lost educational opportunities to those service men and women whose educational or vocational ambitions have been interrupted or impeded by reason of active service in the Armed Forces during a period of national emergency and for the purpose of aiding such persons in attaining the educational and training status which they might normally have aspired to and obtained had they not served their country; and that the home, farm, and business-loan benefits, the unemployment compensation benefits, the mustering out payments, and the employment assistance provided for by this Act are for the purpose of assisting in the readjustment of such persons from military to civilian life.

TITLE II—EDUCATIONAL AND VOCATIONAL ASSISTANCE

PART I—DEFINITIONS

SEC. 201. For the purposes of this title—

(1) the term "basic service period" means the period beginning on June 27, 1950, and ending on such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress;

(2) the term "eligible veteran" means any person who is not in the active service in the Armed Forces and who—

(A) has served in the active service in the Armed Forces at any time during the basic service period,

(B) has been discharged or released from such active service under conditions other than dishonorable, and

(C) has served in the active service in the Armed Forces for ninety days or more (exclusive of any period he was assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians, or as a cadet or midshipman at one of the service academies), or has been discharged or released from active service by reason of an actual service-incurred injury or disability;

(3) the term "program of education or training" means any single unit course or subject, any curriculum, or any combination of unit courses or subjects, which is generally accepted as necessary to fulfill requirements for the attainment of a predetermined and identified educational, professional, or vocational objective;

(4) the term "course" means an organized unit of subject matter in which instruction is offered within a given period of time or which covers a specific amount of related subject matter for which credit toward graduation or certification is usually given;

(5) the term "dependent" means—

(A) a child (as defined in paragraph VI of Veterans Regulation Numbered 10, as amended) of an eligible veteran,

(B) a parent (as defined in paragraph VII of Veterans Regulation Numbered 10, as amended) of an eligible veteran, if the parent is in fact dependent upon the veteran, and

(C) the wife of an eligible veteran, or, in the case of an eligible veteran who is a woman, her husband if he is in fact dependent upon the veteran;

(6) the term "educational institution" means any public or private elementary school, secondary school, vocational school, correspondence school, business school, junior college, teachers college, college, normal school, professional school, university, scientific or technical institution, or other institution furnishing education for adults;

(7) the term "training establishment" means any business or other establishment providing apprentice or other training on the job, including those under the supervision of a college or university or any State department of education, or any State apprenticeship agency, or any State board of vocational education, or any joint apprentice committee, or the Bureau of Apprenticeship established in accordance with Public Law 308, Seventy-fifth Congress, or any agency of the Federal Government authorized to supervise such training;

(8) the term "Armed Forces" means the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard of the United States;

(9) the term "State" means the several States, the Territories and possessions of the United States, and the District of Columbia;

(10) the term "Administrator" means the Administrator of Veterans' Affairs; and

(11) the term "Commissioner" means the United States Commissioner of Education.

PART II—ELIGIBILITY

ENTITLEMENT TO EDUCATION OR TRAINING GENERALLY

SEC. 211. Each eligible veteran shall, subject to the provisions of this title, be entitled to the education or training provided under this title.

COMMENCEMENT; TIME LIMITATIONS

SEC. 212. (a) No eligible veteran shall be entitled to initiate a program of education or training under this title after August 20, 1954, or after two years after his discharge or release from active service, whichever is later.

(b) The program of education and training of an eligible veteran under this title shall, on and after the delimiting date for the veteran to initiate his program, be pursued continuously until completion except that an eligible veteran may suspend the pursuit of his program for periods of not more than 12 consecutive months, and may suspend the pursuit of such program for longer periods if the Administrator finds that the suspension for each such period was due to conditions beyond the control of the eligible veteran.

(c) In the event an eligible veteran returns to active service in the Armed Forces during the basic service period, his date of discharge or release shall, for the purposes of this section and section 213, be the date of his discharge or release from his last period of active service which began during the basic service period.

EXPIRATION OF ALL EDUCATION AND TRAINING

SEC. 213. No education or training shall be afforded an eligible veteran under this title beyond seven years after either his discharge or release from active service or the end of the basic service period, whichever is earlier.

DURATION OF VETERAN'S EDUCATION OR TRAINING

SEC. 214. (a) Each eligible veteran shall be entitled to education or training under this title for a period equal to one and a half times the duration of his active service in the Armed Forces during the basic service period (or to the equivalent thereof in part-time training), except that—

(1) in computing the duration of his active service in the Armed Forces, there shall be excluded a period equal to any period he was assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians or as a cadet or midshipman at one of the service academies;

(2) the period of education or training to which an eligible veteran shall be entitled under this title shall not, except as provided in subsection (b), exceed thirty-six months; and

(3) the period of education or training to which an eligible veteran shall be entitled under this title together with education or training received under part VII (Public Law 16, Seventy-eighth Congress, as amended, and Public Law 894, Eighty-first Congress, as amended), or part VIII of Veterans Regulation Numbered 1 (a), as amended, shall not, except as provided in subsection (b), exceed forty-eight months in the aggregate.

(b) Whenever the period of entitlement to education or training under this title of an eligible veteran who is enrolled in an educational institution regularly operated on the quarter or semester system ends during a quarter or semester and after a major part of such semester or quarter has expired, such period shall be extended to the termination of such unexpired quarter or semester. In all other courses offered by educational institutions, whenever the period of eligibility ends after a major portion of the course is completed such period may be extended to the end of the course or for nine weeks, whichever is the lesser period.

(c) In the case of any eligible veteran who is pursuing any program of education or training exclusively by correspondence, one-fourth of the elapsed time in following such program of education or training shall be charged against the veteran's period of entitlement.

PART III—ENROLLMENT

SELECTION OF PROGRAM

SEC. 221. Subject to the provisions of this title, each eligible veteran may select a program of education or training to assist him in attaining an educational, professional, or vocational objective at any educational institution or training establishment selected by him, whether or not located in the State in which he resides, which will accept and retain him as a student or trainee in any field or branch of knowledge which such institution or establishment finds him qualified to undertake or pursue. Notwithstanding the foregoing provisions of this section, an eligible veteran may not pursue a program of education or training at an educational institution or training establishment which is not located in a State, unless such program is pursued at an approved educational institution of higher learning. The Administrator in his discretion may deny or discontinue the enrollment under this title of any veteran in a foreign educational institution if he finds that such enrollment is not for the best interest of the veteran or the Government.

APPLICATIONS; APPROVAL

SEC. 222. Any eligible veteran who desires to initiate a program of education or training under this title shall submit an application to the Administrator which shall be in such form, and contain such information, as the Administrator shall prescribe. The Administrator shall approve such application unless he finds that such veteran is not eligible for or entitled to the education or training applied for or that his program of education or training fails to meet any of the requirements of this title, or that the eligible veteran is already qualified, by reason of previous education or training, for the educational, professional, or vocational objective for which the courses of the program of education or training are offered. The Administrator shall notify the eligible veteran of the approval or disapproval of his application.

CHANGE OF PROGRAM

SEC. 223. (a) Subject to the provisions of section 222, each eligible veteran (except an eligible veteran whose program has been interrupted or discontinued due to his own misconduct, his own neglect, or his own lack of application) may, at any time prior to the end of the period during which he is entitled to initiate a program of education or training under this title, make not more than one change of program of education or training.

(b) Each eligible veteran, who has not made a change of program of education or training before the expiration of the period during which he is entitled to initiate a program of education or training under this title, may make not more than one change of program of education or training with the approval of the Administrator. The Administrator shall approve such a change if he finds that—

(1) the eligible veteran is not making satisfactory progress in his present program and that the failure is not due to his own misconduct, his own neglect, or his own lack of application, and if the program to which the eligible veteran desires to change is more in keeping with his aptitude or previous education and training; or

(2) the program to which the eligible veteran desires to change, while not a part of the program currently pursued by him, is a normal progression from such program.

AVOCATIONAL AND RECREATIONAL COURSES

SEC. 224. (a) The Administrator shall not approve the enrollment of an eligible veteran in any bartending course, dancing course, or personality development course.

(b) The Administrator shall not approve the enrollment of an eligible veteran—

(1) in any photography course or entertainment course; or

(2) in any music course—instrumental or vocal—public speaking course, or course in sports or athletics such as horseback riding, swimming, fishing, skiing, golf, baseball, tennis, bowling, sports officiating, or other sport or athletic courses, except courses of applied music, physical education, or public speaking which are offered by institutions of higher learning for credit as an integral part of a program leading to an educational objective, or

(3) in any other type of course which the Administrator finds to be avocational or recreational in character;

unless the eligible veteran submits justification showing that the course will be of bona fide use in the pursuit of his present or contemplated business or occupation.

DISCONTINUANCE FOR UNSATISFACTORY PROGRESS

SEC. 225. The Administrator shall discontinue the education and training allowance of an eligible veteran if, at any time, he finds that, according to the regularly prescribed standards and practices of the educational institution or training establishment, the conduct or progress of such veteran is unsatisfactory.

MINIMUM NUMBER OF NONVETERAN STUDENTS REQUIRED

SEC. 226. The Administrator shall not approve the enrollment of any eligible veteran, not already enrolled, in any nonaccredited course below the college level offered by a proprietary profit or proprietary nonprofit educational institution for any period during which the Administrator finds that more than eighty-five per centum of the students enrolled in the course are having all or any part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration under part VII or part VIII of Veterans Regulation Numbered 1 (a) or this title.

PERIOD OF OPERATION FOR APPROVAL

SEC. 227. (a) The Administrator shall not approve the enrollment of an eligible veteran in any course offered by an educational institution when such course has been in operation for less than two years.

(b) Subsection (a) shall not apply to—

(1) any course to be pursued in a public or other tax-supported educational institution;

(2) any course which is offered by an educational institution which has been in operation for more than two years, if such course is similar in character to the instruction previously given by such institution; or

(3) any course which has been offered by an institution for a period of more than two years, notwithstanding the institution has moved to another location within the same general locality.

INSTITUTIONS LISTED BY ATTORNEY GENERAL

SEC. 228. The Administrator shall not approve the enrollment of, or payment of an education and training allowance to, any eligible veteran in any course in an educational institution or training establishment while it is listed by the Attorney General under section 3 of part III of Executive Order 9835, as amended.

PART IV—PAYMENTS TO VETERANS

EDUCATION AND TRAINING ALLOWANCE

SEC. 231. (a) The Administrator shall pay to each eligible veteran who is pursuing a program of education or training under this title, and who applies therefor, an education and training allowance to meet in part the expenses of his subsistence, tuition, fees, supplies, books, and equipment.

(b) The education and training allowance for an eligible veteran shall be paid, as provided in section 232, only for the period of the veteran's enrollment as approved by the Administrator, but no allowance shall be paid—

(1) to any veteran enrolled in a course approved under section 253 or a course of institutional on-farm training for any period when the veteran is not pursuing his course in accordance with the regularly established policies and regulations of the institution and the requirements of this title,

(2) to any veteran enrolled in a course approved under section 254 or in a course of apprentice or other training on the job for any day of absence in excess of thirty days in a twelve-month period, not counting as absences weekends or legal holidays established by Federal or State law during which the institution or establishment is not regularly in session or operation, or

(3) to any veteran pursuing his program of education exclusively by correspondence for any period during which no lessons were serviced by the institution.

(c) No education and training allowance shall be paid to an eligible veteran for any period until the Administrator shall have received—

(1) from the eligible veteran (A) in the case of an eligible veteran enrolled in a course approved under section 253 or a course of institutional on-farm training, a certification that he was actually enrolled in and pursuing the course as approved by the Administrator, or (B) in the case of an eligible veteran enrolled in a course approved under section 254 or a course of apprentice or other training on the job, a certification as to actual attendance during such period, or (C) in the case of an eligible veteran enrolled in a program of education or training by correspondence, a certification as to the number of lessons actually completed by the veteran and serviced by the institution, and

(2) from the educational institution or training establishment, a certification, or an endorsement on the veteran's certificate, that such veteran was enrolled in and pursuing a course of education or training during such period, and, in the case of an institution furnishing education or training to a veteran exclusively by correspondence, a certification, or an endorsement on the veteran's certificate, as to the number of lessons completed by the veteran and serviced by the institution.

Education and training allowanees shall, insofar as practicable, be paid within twenty days after receipt by the Administrator of the certifications required by this subsection.

COMPUTATION OF EDUCATION AND TRAINING ALLOWANCES

SEC. 232. (a) The education and training allowance of an eligible veteran who is pursuing a program of education or training in an educational institution and is not entitled to receive an education and training allowance under subsection (b), (c), (d), (e), or (f) shall be computed as follows:

(1) If such program is pursued on a full-time basis, such allowance shall be computed at the rate of \$110 per month, if the veteran has no dependent, or at the rate of \$135 per month, if he has one dependent, or at the rate of \$160 per month, if he has more than one dependent.

(2) If such program is pursued on a three-quarters time basis, such allowance shall be computed at the rate of \$80 per month, if the veteran has no dependent, or at the rate of \$100 per month, if he has one dependent, or at the rate of \$120 per month, if he has more than one dependent.

(3) If such program is pursued on a half-time basis, such allowance shall be computed at the rate of \$50 per month, if the veteran has no dependent, or at the rate of \$60 per month, if he has one dependent, or at the rate of \$80 per month, if he has more than one dependent.

(b) The education and training allowance of an eligible veteran who is pursuing a full-time program of education and training which consists of institutional courses and on-the-job training, with the on-the-job training portion of the program being strictly supplemental to the institutional portion, shall be computed at the rate of (1) \$90 per month, if he has no dependent, or (2) \$110 per month, if he has one dependent, or (3) \$130 per month, if he has more than one dependent.

(c) The education and training allowance of an eligible veteran pursuing apprentice or other training on the job shall be computed at the rate of (1) \$70 per month, if he has no dependent, or (2) \$85 per month, if he has one dependent, or (3) \$105 per month, if he has more than one dependent; except that his education and training allowance shall be reduced at the end of each four-month period as his program progresses by an amount which bears the same ratio to the basic education and training allowance as four months bears to the total duration of his apprentice or other training on the job; but in no case shall the Administrator pay an education and training allowance under this subsection in an amount

which, when added to the compensation to be paid to the veteran, in accordance with his approved training program, for productive labor performed as a part of his course, would exceed the rate of \$310 per month. For the purpose of computing allowances under this subsection, the duration of the training of an eligible veteran shall be the period specified in the approved application as the period during which he may receive an education and training allowance for such training, plus such additional period, if any, as is necessary to make the number of months of such training a multiple of four.

(d) The education and training allowance of an eligible veteran pursuing institutional on-farm training shall be computed at the rate of (1) \$95 per month, if he has no dependent, or (2) \$110 per month, if he has one dependent, or (3) \$130 per month, if he has more than one dependent; except that his education and training allowance shall be reduced at the end of each four-month period as his program progresses by an amount which bears the same ratio to \$65 per month, if the veteran has no dependent, or \$80 per month, if he has one dependent, or \$100 per month, if he has more than one dependent, as four months bears to the total duration of such veteran's institutional on-farm training. For the purpose of computing allowances under this subsection, the duration of the training of an eligible veteran shall be the period specified in the approved application as the period during which he may receive an education and training allowance for such training, plus such additional period, if any, as is necessary to make the number of such months of such training a multiple of four.

(e) The education and training allowance of an eligible veteran pursuing a program of education or training exclusively by correspondence shall be computed on the basis of the established charge which the institution requires nonveterans to pay for the course or courses pursued by the eligible veteran. Such allowance shall be paid quarterly on a prorata basis for the lessons completed by the veteran and serviced by the institution, as certified by the institution.

(f) The education and training allowance of an eligible veteran who is pursuing a program of education or training under this title in an educational institution on a less-than-half-time basis shall be computed at the rate of (1) the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same course to pay, or (2) \$110 per month for a full-time course, whichever is the lesser.

(g) Each eligible veteran who is pursuing an approved course of flight training shall be paid an education and training allowance to be computed at the rate of 75 per centum of the established charge which similarly circumstanced nonveterans enrolled in the same flight course are required to pay for tuition for the course. If such veteran's program of education or training consists exclusively of flight training, he shall not be paid an education and training allowance under one of the preceding subsections of this section; if his program of education or training consists of flight training and other education or training, the allowance payable under this subsection shall be in addition to any education and training allowance payable to him under one of the preceding subsections of this section for education or training other than flight training. Such allowance shall be paid monthly upon receipt of certification from the eligible veteran and the institution as to the actual flight training received by the veteran. In each such case the eligible veteran's period of entitlement shall be charged (in addition to any charge made against his entitlement by reason of education or training other than flight training) with one day for each \$1.25 which is paid to the veteran as an education and training allowance for such course.

(h) No eligible veteran shall be paid an education and training allowance under this title for any period during which (1) he is enrolled in and pursuing a course of education or training paid for by the United States under any provision of law other than this title, where the payment of such allowance would constitute a duplication of benefits paid to the veteran from the Federal Treasury, or (2) he is pursuing a course of apprentice or other training on the job, a course of institutional on-farm training, or a course of education and training described in subsection (b), on a less than full-time basis.

FULL-TIME COURSES

SEC. 233. (a) For the purposes of this title, (1) an institutional trade or technical course offered on a clock-hour basis below the college level involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of thirty hours per week of attendance is required with not more than two and one-half hours of rest periods per week allowed, (2) an institutional course offered on a clock-hour basis below the college level in which theoretical or class

room instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction is required, and (3) an institutional undergraduate course offered by a college or university on a quarter or semester-hour basis for which credit is granted toward a standard college degree shall be considered a full-time course when a minimum of fourteen semester hours or its equivalent is required.

(b) The Administrator shall define full-time training in the case of all types of courses of education or training other than institutional on-farm training and the types of courses referred to in subsection (a): *Provided*, That the Administrator shall not define full-time apprentice training for a particular establishment other than that established as the standard work-week through bona fide collective bargaining between employers and employees.

OVERCHARGES BY EDUCATIONAL INSTITUTIONS

SEC. 234. The Administrator may, if he finds that an institution has charged or received from any eligible veteran any amount in excess of the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same course to pay, disapprove such educational institution for the enrollment of any veteran not already enrolled therein, except that, in the case of a tax-supported public educational institution which does not have established charges for tuition and fees which it requires nonveteran residents to pay, such institution may charge and receive from each eligible veteran who is a resident an amount equal to the estimated cost of teaching personnel and supplies for instruction attributable to such veteran, but in no event to exceed the rate of \$10 per month for a full-time course.

PART V—STATE APPROVING AGENCIES

DESIGNATION

SEC. 241. (a) Unless otherwise established by the law of the State concerned, the chief executive of each State is requested to create or designate a State department or agency as the "State approving agency" for his State for the purposes of this title.

(b) (1) In the event any State fails or declines to create or designate a State approving agency, the provisions of this title which refer to the State approving agency shall, with respect to such State, be deemed to refer to the Administrator.

(2) In the case of courses subject to approval by the Administrator under section 242, the provisions of this title which refer to a State approving agency shall be deemed to refer to the Administrator.

APPROVAL OF COURSES

SEC. 242. (a) An eligible veteran shall receive the benefits of this title while enrolled in a course of education or training offered by an educational institution or training establishment only if such course is approved by the State approving agency for the State where such educational institution or training establishment is situated or by the Administrator. Approval of courses by State approving agencies shall be in accordance with the provisions of this title and such other regulations and policies as the State approving agency may adopt. Each State approving agency shall furnish the Administrator with a current list of educational institutions and training establishments, specifying courses which it has approved, and, in addition to such list, it shall furnish such other information to the Administrator as it and the Administrator may determine to be necessary to carry out the purposes of this title. Each State approving agency shall notify the Administrator of the disapproval of any course previously approved and shall set forth the reasons for such disapproval.

(b) The Administrator shall be responsible for the approval of courses of education or training offered by any agency of the Federal Government authorized under other laws to supervise such education or training. The Administrator may approve any course in any other educational institution or training establishment in accordance with the provisions of this title.

COOPERATION

SEC. 243. (a) The Administrator and each State approving agency shall take cognizance of the fact that definite duties, functions, and responsibilities are conferred upon the Administrator and each State approving agency under the

veterans' educational programs. To assure that such programs are effectively and efficiently administered, the cooperation of the Administrator and the State approving agencies is essential. It is necessary to establish an exchange of information pertaining to activities of educational institutions and training establishments, and particular attention should be given to the enforcement of approval standards, enforcement of wage and income limitations, enforcement of enrollment restrictions, and fraudulent and other criminal activities on the part of persons connected with educational institutions and training establishments in which veterans are enrolled under this title.

(b) The Administrator will furnish the State approving agencies with copies of such Veterans' Administration informational material as may aid them in carrying out this title.

USE OF AGENCIES

SEC. 244. (a) In carrying out his functions under this title, the Administrator may utilize the facilities and services of any other Federal department or agency. The Administrator shall utilize the services of the Office of Education in developing cooperative agreements between the Administrator and State and local agencies relating to the approval of courses of education or training as provided for in section 245, in reviewing the plan of operations of State approving agencies under such agreements, and in rendering technical assistance to such State and local agencies in developing and improving policies, standards, and legislation in connection with their duties under this title.

(b) Any such utilization shall be pursuant to proper agreement with the Federal department or agency concerned; and payment to cover the cost thereof shall (except in the case of the Office of Education) be made either in advance or by way of reimbursement, as may be provided in such agreement. Funds necessary to enable the Office of Education to carry out its functions under this title are authorized to be appropriated directly to such Office.

REIMBURSEMENT OF EXPENSES

SEC. 245. The Administrator is authorized to enter into contracts or agreements with State and local agencies to pay such State and local agencies for reasonable and necessary expenses of salary and travel incurred by employees of such agencies in (1) rendering necessary services in ascertaining the qualifications of educational institutions and training establishments for furnishing courses of education or training to eligible veterans under this title, and in the supervision of such educational institutions and training establishments, and (2) furnishing, at the request of the Administrator, any other services in connection with this title. Each such contract or agreement shall be conditioned upon compliance with the standards and provisions of this title.

PART VI—APPROVAL OF COURSES OF EDUCATION AND TRAINING

APPRENTICE OR OTHER TRAINING ON THE JOB

SEC. 251. (a) Apprentice or other training on the job shall consist of courses offered by training establishments whenever such courses of training are furnished in accordance with the provisions of this section. Any training establishment desiring to furnish a course of apprentice or other training on the job shall submit to the appropriate State approving agency a written application setting forth the course of training for each job for which an eligible veteran is to be trained. The written application covering the course of training shall include the following:

- (1) Title and description of the specific job objective for which the eligible veteran is to be trained;
- (2) The length of the training period;
- (3) A schedule listing various operations for major kinds of work or tasks to be learned and showing for each, job operations or work, tasks to be performed, and the approximate length of time to be spent on each operation or task;
- (4) The wage or salary to be paid at the beginning of the course of training, at each successive step in the course, and at the completion of training;
- (5) The entrance wage or salary paid by the establishment to employees already trained in the kind of work for which the veteran is to be trained; and
- (6) The number of hours of supplemental related instruction required.

(b) The appropriate State approving agency may approve a course of apprentice or other training on the job specified in an application submitted by a training

establishment in accordance with subsection (a) if such training establishment is found upon investigation to have met the following criteria:

(1) The training content of the course is adequate to qualify the eligible veteran for appointment to the job for which he is to be trained.

(2) There is reasonable certainty that the job for which the eligible veteran is to be trained will be available to him at the end of the training period.

(3) The job is one in which progression and appointment to the next higher classification are based upon skills learned through organized training on the job and not on such factors as length of service and normal turn-over.

(4) The wages to be paid the eligible veteran for each successive period of training are not less than those customarily paid in the training establishment and in the community to a learner in the same job who is not a veteran.

(5) The job customarily requires a period of training of not less than three months and not more than two years of full-time training, except that this provision shall not apply to apprentice training.

(6) The length of the training period is no longer than that customarily required by the training establishment and other training establishments in the community to provide an eligible veteran with the required skills, arrange for the acquiring of job knowledge, technical information, and other facts which the eligible veteran will need to learn in order to become competent on the job for which he is being trained.

(7) Provision is made for related instruction for the individual eligible veteran who may need it.

(8) There is in the training establishment adequate space, equipment, instructional material, and instructor personnel to provide satisfactory training on the job.

(9) Adequate records are kept to show the progress made by each eligible veteran toward his job objective.

(10) Appropriate credit is given the eligible veteran for previous training and job experience, whether in the military service or elsewhere, his beginning wage adjusted to the level to which such credit advances him and his training period shortened accordingly and provision is made for certification by the training establishment that such credit has been granted and the beginning wage adjusted accordingly. No course of training will be considered bona fide if given to an eligible veteran who is already qualified by training and experience for the job objective.

(11) A signed copy of the training agreement for each eligible veteran, including the training program and wage scale as approved by the State approving agency, is provided to the veteran and to the Administrator and the State approving agency by the employer.

(12) Upon completion of the course of training furnished by the training establishment the eligible veteran is given a certificate by the employer indicating the length and type of training provided and that the eligible veteran has completed the course of training on the job satisfactorily.

(13) That the course meets such other criteria as may be established by the State approving agency.

INSTITUTIONAL ON-FARM TRAINING

SEC. 252. (a) An eligible veteran shall be entitled to the benefits of this title while enrolled in a course of full-time institutional on-farm training which has been approved by the appropriate State approving agency in accordance with the provisions of this section.

(b) The State approving agency may approve a course of institutional on-farm training when it satisfies the following requirements:

(1) The course combines organized group instruction in agricultural and related subjects of at least two hundred hours per year (and of at least eight hours each month) at an educational institution, with supervised work experience on a farm or other agricultural establishment.

(2) The eligible veteran will perform a part of such course on a farm or other agricultural establishment under his control.

(3) The course is developed with due consideration to the size and character of the farm or other agricultural establishment on which the eligible veteran will receive his supervised work experience and to the need of such eligible veteran, in the type of farming for which he is training, for proficiency in planning, producing, marketing, farm mechanics, conservation of resources, food conservation, farm financing, farming management, and the keeping of farm and home accounts.

(4) The eligible veteran will receive not less than one hundred hours of individual instruction per year, not less than fifty hours of which shall be on such farm or other agricultural establishment (with at least two visits by the instructor to such farm each month). Such individual instruction shall be given by the instructor responsible for the veteran's institutional instruction and shall include instruction and home-study assignments in the preparation of budgets, inventories, and statements showing the production, use on the farm, and sale of crops, livestock, and livestock products.

(5) The eligible veteran will be assured of control of such farm or other agricultural establishment (whether by ownership, lease, management agreement, or other tenure arrangement) until the completion of his course.

(6) Such farm or other agricultural establishment shall be of a size and character which (A) will, together with the group-instruction part of the course, occupy the full time of the eligible veteran, (B) will permit instruction in all aspects of the management of the farm or other agricultural establishment of the type for which the eligible veteran is being trained, and will provide the eligible veteran an opportunity to apply to the operation of his farm or other agricultural establishment the major portion of the farm practices taught in the group instruction part of the course, and (C) will assure him a satisfactory income for a reasonable living under normal conditions at least by the end of his course.

(7) Provision shall be made for certification by the institution and the veteran that the training offered does not repeat or duplicate training previously received by the veteran.

(8) The institutional on-farm training meets such other fair and reasonable standards as may be established by the State approving agency.

APPROVAL OF ACCREDITED COURSES

SEC. 253. (a) A State approving agency may approve the courses offered by an educational institution when—

(1) such courses have been accredited and approved by a nationally recognized accrediting agency or association;

(2) credit for such course is approved by the State department of education for credit toward a high school diploma;

(3) such courses are conducted under the Act of February 23, 1917, as amended (39 Stat. 927), or the Vocational Education Act of 1946; or

(4) such courses are accepted by the State department of education for credit for a teacher's certificate or a teacher's degree.

For the purposes of this title the Commissioner shall publish a list of nationally recognized accrediting agencies and associations which he determines to be reliable authority as to the quality of training offered by an educational institution and the State approving agencies may, upon concurrence, utilize the accreditation of such accrediting associations or agencies for approval of the courses specifically accredited and approved by such accrediting association or agency. In making application for approval, the institution shall transmit to the State approving agency copies of its catalog or bulletin.

(b) As a condition to approval under this section, the State approving agency must find that adequate records are kept by the educational institution to show the progress of each eligible veteran. The State approving agency must also find that the educational institution maintains a written record of the previous education and training of the veteran and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the veteran and the Administrator so notified.

APPROVAL OF NONACCREDITED COURSES

SEC. 254. (a) No course of education or training (other than a course of institutional on-farm training) which has not been approved by a State approving agency pursuant to section 253, which is offered by a public or private, profit or nonprofit, educational institution shall be approved for the purposes of this title unless the educational institution offering such course submits to the appropriate State approving agency a written application for approval of such course in accordance with the provisions of this title.

(b) Such application shall be accompanied by not less than two copies of the current catalog or bulletin which is certified as true and correct in content and policy by an authorized owner or official and includes the following:

(1) Identifying data, such as volume number and date of publication;

- (2) Names of the institution and its governing body, officials and faculty;
 - (3) A calendar of the institution showing legal holidays, beginning and ending date of each quarter, term, or semester, and other important dates;
 - (4) Institution policy and regulations on enrollment with respect to enrollment dates and specific entrance requirements for each course;
 - (5) Institution policy and regulations relative to leave, absences, class cuts, make-up work, tardiness and interruptions for unsatisfactory attendance;
 - (6) Institution policy and regulations relative to standards of progress required of the student by the institution (this policy will define the grading system of the institution, the minimum grades considered satisfactory, conditions for interruption for unsatisfactory grades or progress and a description of the probationary period, if any, allowed by the institution, and conditions of reentrance for those students dismissed for unsatisfactory progress. A statement will be made regarding progress records kept by the institution and furnished the student);
 - (7) Institution policy and regulations relating to student conduct and conditions for dismissal for unsatisfactory conduct;
 - (8) Detailed schedule of fees, charges for tuition, books, supplies, tools, student activities, laboratory fees, service charges, rentals, deposits, and all other charges;
 - (9) Policy and regulations of the institution relative to the refund of the unused portion of tuition, fees, and other charges in the event the student does not enter the course or withdraws or is discontinued therefrom;
 - (10) A description of the available space, facilities, and equipment;
 - (11) A course outline for each course for which approval is requested, showing subjects or units in the course, type of work or skill to be learned, and approximate time and clock hours to be spent on each subject or unit; and
 - (12) Policy and regulations of the institution relative to granting credit for previous educational training.
- (c) The appropriate State approving agency may approve the application of such institution when the institution and its nonaccredited courses are found upon investigation to have met the following criteria:
- (1) The courses, curriculum, and instruction are consistent in quality, content, and length with similar courses in public schools and other private schools in the State, with recognized accepted standards.
 - (2) There is in the institution adequate space, equipment, instructional material, and instructor personnel to provide training of good quality.
 - (3) Educational and experience qualifications of directors, administrators, and instructors are adequate.
 - (4) The institution maintains a written record of the previous education and training of the veteran and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the veteran and the Administrator so notified.
 - (5) A copy of the course outline, schedule of tuition, fees, and other charges, regulations pertaining to absences, grading policy, and rules of operation and conduct will be furnished the veteran upon enrollment.
 - (6) Upon completion of training, the veteran is given a certificate by the institution indicating the approved course and indicating that training was satisfactorily completed.
 - (7) Adequate records as prescribed by the State approving agency are kept to show attendance and progress or grades, and satisfactory standards relating to attendance, progress, and conduct are enforced.
 - (8) The institution complies with all local, city, county, municipal, State, and Federal regulations, such as fire codes, building and sanitation codes. The State approving agency may require such evidence of compliance as is deemed necessary.
 - (9) The institution is financially sound and capable of fulfilling its commitments for training.
 - (10) The institution does not utilize advertising of any type which is erroneous or misleading, either by actual statement, omission, or intimation. The institution shall not be deemed to have met this requirement until the State approving agency (1) has ascertained from the Federal Trade Commission whether the Commission has issued an order to the institution to cease and desist from any act or practice, and (2) has, if such an order has been issued, given due weight to that fact.

(11) The institution does not exceed its enrollment limitations as established by the State approving agency.

(12) The institution's administrators, directors, owners, and instructors are of good reputation and character.

(13) The institution has and maintains a policy for the refund of the unused portion of tuition, fees, and other charges in the event the veteran fails to enter the course or withdraws or is discontinued therefrom at any time prior to completion and such policy must provide that the amount charged to the veteran for tuition, fees, and other charges for a portion of the course shall not exceed the approximate pro rata portion of the total charges for tuition, fees, and other charges that the length of the completed portion of the course bears to its total length.

(14) Such additional criteria as may be deemed necessary by the State approving agency.

NOTICE OF APPROVAL OF COURSES

SEC. 255. The State approving agency, upon determining that an educational institution has complied with all the requirements of this title will issue a letter to such institution setting forth the courses which have been approved for the purposes of this title, and will furnish an official copy of such letter and any subsequent amendments to the Administrator. The letter of approval shall be accompanied by a copy of the catalog or bulletin of the institution, as approved by the State approving agency, and shall contain the following information:

- (1) date of letter and effective date of approval of courses;
- (2) proper address and name of each educational institution or training establishment;
- (3) authority for approval and conditions of approval, referring specifically to the approved catalog or bulletin published by the educational institution;
- (4) name of each course approved;
- (5) where applicable, enrollment limitations such as maximum numbers authorized and student-teacher ratio;
- (6) signature of responsible official of State approving agency; and
- (7) such other fair and reasonable provisions as are considered necessary by the appropriate State approving agency.

DISAPPROVAL OF COURSES AND DISCONTINUANCE OF ALLOWANCES

SEC. 256. (a) Any course approved for the purposes of this title which fails to meet any of the requirements of this title shall be immediately disapproved by the appropriate State approving agency. An educational institution or training establishment which has its courses disapproved by a State approving agency will be notified of such disapproval by a registered letter of notification and a return receipt secured.

(b) The Administrator may discontinue the education and training allowance of any eligible veteran if he finds that the course of education or training in which such veteran is enrolled fails to meet any of the requirements of this title or if he finds that the educational institution or training establishment offering such course has violated any provision of this title or fails to meet any of its requirements.

(c) Each State approving agency shall notify the Administrator of each course which it has disapproved under this section. The Administrator shall notify the State approving agency of his disapproval of any educational institution or training establishment under part VII of Veterans Regulation Numbered 1 (a), as amended.

PART VII—MISCELLANEOUS PROVISIONS

AUTHORITY AND DUTIES OF ADMINISTRATOR

SEC. 261. (a) The Administrator is authorized to prescribe, promulgate, and publish such rules and regulations as are consistent with the provisions of this title and necessary to carry out its purposes. Notwithstanding the provisions of section 11 of the Act of October 17, 1949, as amended (54 Stat. 1193), payments under this title shall be subject to audit and review by the General Accounting Office as provided by the Budget and Accounting Act of 1921, as amended, and the Budget and Accounting Procedures Act of 1950.

(b) The Administrator is authorized to accept uncompensated services and to enter into contracts or agreements with private or public agencies, or persons, for

necessary services, incident to the administration of this title, including personal services, as he may deem practicable.

(c) The Administrator may arrange for educational and vocational guidance to persons eligible for education and training under this title and, if the Administrator requires such educational and vocational guidance, he is authorized, in his discretion, to defray, or reimburse the veteran for his traveling expenses to and from the place of advisement. At such intervals as he deems necessary, he shall make available information respecting the need for general education and for trained personnel in the various crafts, trades, and professions: *Provided*, That facilities of other Federal agencies collecting such information shall be utilized to the extent he deems practicable.

ADVISORY COMMITTEE

SEC. 262. The Administrator shall form an advisory committee which shall be composed of persons who are eminent in their respective fields of education, labor, and management, and of representatives of the various types of institutions and establishments furnishing education and training to veterans enrolled under this title. The Commissioner and the Director, Bureau of Apprenticeship, Department of Labor, shall be ex officio members of the advisory committee. The Administrator shall advise and consult with the committee from time to time with respect to the administration of this title and the committee may make such reports and recommendations as it deems desirable to the Administrator and to the Congress.

CONTROL BY AGENCIES OF UNITED STATES

SEC. 263. No department, agency, or officer of the United States, in carrying out this title, shall exercise any supervision or control, whatsoever, over any State approving agency, State educational agency, or State apprenticeship agency, or any educational institution or training establishment: *Provided*, That nothing in this section shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or control which such department, agency, or officer is authorized, by existing provisions of law, to exercise over any Federal educational institution or training establishment, or to prevent the furnishing of education or training under this title in any institution or establishment over which supervision or control is exercised by such other department, agency, or officer under authority of existing provisions of law.

CONFLICTING INTERESTS

SEC. 264. (a) Every officer or employee of the Veterans' Administration or of the Office of Education, who has, while such an officer or employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or services from, any educational institution operated for profit in which an eligible veteran was pursuing a course of education or training under this title shall be immediately dismissed from his office or employment.

(b) If the Administrator finds that any person who is an officer or employee of a State approving agency has, while he was such an officer or employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or services from, an educational institution operated for profit in which an eligible veteran was pursuing a course of education or training under this title, he shall discontinue making payments under section 245 to such State approving agency unless such agency shall, without delay, take such steps as may be necessary to terminate the employment of such person and such payments shall not be resumed while such person is an officer or employee of the State approving agency, or State Department of Veterans Affairs or State Department of Education.

(c) A State approving agency shall not approve any course offered by an educational institution operated for profit and, if any such course has been approved, shall disapprove each such course, if it finds that any officer or employee of the Veterans' Administration, the Office of Education, or the State approving agency owns an interest in, or receives any wages, salary, dividends, profits, gratuities, or services from, such institution.

(d) The Administrator may, after reasonable notice and public hearings, waive in writing the application of this section in the case of any officer or employee of the Veterans' Administration, of the Office of Education, or of a State approving agency, if he finds that no detriment will result to the United States or to eligible veterans by reason of such interest or connection of such officer or employee.

REPORTS BY INSTITUTIONS

SEC. 265. (a) Educational institutions and training establishments shall, without delay, report to the Administrator in the form prescribed by him, the enrollment, interruption, and termination of the education or training of each eligible veteran enrolled therein under this title.

(b) The Administrator shall pay to each educational institution which is required to submit reports and certifications to the Administrator under this title, an allowance at the rate of \$1.50 per month for each eligible veteran enrolled in and attending such institution under the provisions of this title to assist the educational institution in defraying the expense of preparing and submitting such reports and certifications. Such allowances shall be paid in such manner and at such times as may be prescribed by the Administrator, except that in the event any institution fails to submit reports or certifications to the Administrator as required by this title, no allowance shall be paid to such institution for the month or months during which such reports or certifications were not submitted as required by the Administrator.

• OVERPAYMENTS TO VETERANS

SEC. 266. In any case where it is found by the Administrator that an overpayment has been made to a veteran as the result of (1) the willful or negligent failure of the educational institution or training establishment to report, as required by this title and applicable regulations, to the Veterans' Administration excessive absences from a course, or discontinuance or interruption of a course by the veteran or (2) false certification by the educational institution or training establishment, the amount of such overpayment shall constitute a liability of such institution or establishment, and may be recovered in the same manner as any other debt due the United States: *Provided*, That any amount so collected shall be reimbursed if the overpayment is recovered from the veteran. This provision shall not preclude the imposition of any civil or criminal action under this or any other statute.

EXAMINATION OF RECORDS

SEC. 267. The records and accounts of educational institutions and training establishments pertaining to eligible veterans who received education or training under this title shall be available for examination by duly authorized representatives of the Government.

FALSE OR MISLEADING STATEMENTS

SEC. 268. The Administrator shall not make any payments under this title to any person found by him to have willfully submitted any false or misleading claims. In each case where the Administrator finds that an educational institution or training establishment has willfully submitted a false or misleading claim, or where a veteran, with the complicity of an educational institution or training establishment, has submitted such a claim, he shall make a complete report of the facts of the case to the appropriate State approving agency and where deemed advisable, to the Attorney General of the United States for appropriate action.

CRIMINAL PENALTIES

SEC. 269. Whoever knowingly and willfully—

(1) makes or presents any false, fictitious, or fraudulent affidavit, declaration, certificate, voucher, endorsement, or paper or writing purporting to be such, concerning any claim for payment under this title, or pertaining to any matter arising under this title,

(2) makes or presents any paper required under this title on which paper a date other than the date upon which it was actually signed or acknowledged by the claimant has been willfully inserted,

(3) certifies falsely that the declarant, affiant, or witness named in such affidavit, declaration, voucher, endorsement, or other paper or writing personally appeared before him and was sworn thereto, or acknowledged the execution thereof, or

(4) accepts and converts to his own use payments for any period during which he was not actually pursuing a course of education or training under this title for which period payment was made, shall be fined not more than \$5,000 or imprisoned not more than three years, or both.

APPLICATION OF OTHER LAWS

SEC. 270. The provisions of Public Law Numbered 262, Seventy-fourth Congress, approved August 12, 1935 (49 Stat. 607), as amended, the provisions of section 15 of Public Law Numbered 2, Seventy-third Congress, as amended, the provisions of section 12 of Public Law Numbered 144, Seventy-eighth Congress, approved July 13, 1943 (57 Stat. 557), as amended, and the provisions of titles II and III of Public Law Numbered 844, Seventy-fourth Congress, approved June 29, 1936, as amended, shall be for application under this title.

WAIVER OF RECOVERY OF OVERPAYMENTS

SEC. 271. There shall be no recovery of payments of education and training allowance made under this title from any person who, in the judgment of the Administrator, is without fault on his part and where, in the judgment of the Administrator, such recovery would defeat the purpose of benefits otherwise authorized or would be against equity and good conscience. No disbursing officer or certifying officer shall be held liable for any amount paid to any person where the recovery of such amount is waived under this section.

INFORMATION FURNISHED BY FEDERAL TRADE COMMISSION

SEC. 272. The Federal Trade Commission shall keep all State approving agencies advised of any information coming to its attention which would be of assistance to such agencies in carrying out their duties under this title.

EFFECTIVE DATE

SEC. 273. This title shall take effect on the date of its enactment, except that no education and training allowance shall be paid for any period prior to August 20, 1952.

APPROPRIATIONS

SEC. 274. The appropriations for the Veterans' Administration under the headings "Administration, medical, hospital and domiciliary services" and "Readjustment benefits" are hereby made available for expenditures necessary to carry out the provisions of this title, and there is hereby authorized to be appropriated such additional amounts as may be necessary to accomplish the purposes of this title.

TITLE III—LOANS

PERSONS ELIGIBLE FOR LOANS

SEC. 301. Subsection (a) of section 500 of the Servicemen's Readjustment Act of 1944, as amended, is amended—

(1) by inserting after "war" in the first sentence the following: ", or at any time on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress,";

(2) by inserting after the first sentence the following: "Entitlement derived from service on or after June 27, 1950, shall (1) cancel any unused entitlement derived from service prior to June 27, 1950, and (2) be reduced by the amount entitlement from such prior service shall have been used to obtain a direct, guaranteed, or insured loan (a) on real property which the veteran owns at the time of application or (b) as to which the Administrator shall have incurred actual liability or loss, unless in the event of loss or the incurrence and payment of such liability by the Administrator, the resultant indebtedness of the veteran to the Government shall have been paid in full."; and

(3) by inserting after "war" in the fourth sentence of such subsection, as amended by this section, the following: ", and any loan to a veteran eligible by virtue of active service on or after June 27, 1950, if made within ten years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress,".

POWER OF ADMINISTRATOR TO EXAMINE LOANS

SEC. 302. Section 500 of the Servicemen's Readjustment Act of 1944, as amended, is amended by adding at the end thereof the following new subsection: "(f) Notwithstanding the provisions in this title respecting automatically guaranteed loans, the Administrator may at any time upon thirty days' notice

require loans to be made by any lender or class of lenders to be submitted for prior approval, and no guaranty or insurance liability shall exist in respect to such loans unless evidence of guaranty or insurance is issued by the Administrator."

ADDITIONAL REQUIREMENT FOR GUARANTEED LOANS

SEC. 303. Section 501 (a) (2) of the Servicemen's Readjustment Act of 1944, as amended, is amended by inserting after "expenses" the following: ", and the veteran is a satisfactory credit risk".

STANDARDS OF PLANNING AND CONSTRUCTION

SEC. 304. Section 504 of the Servicemen's Readjustment Act of 1944, as amended, is amended by striking out subsection (b) and inserting in lieu thereof the following:

"(b) No loan for the purchase or construction of residential property on which construction is begun subsequent to sixty days from the date the Veterans' Readjustment Assistance Act of 1952 becomes effective shall be financed through the assistance of the provisions of this title unless the property meets or exceeds minimum requirements for planning, construction, and general acceptability prescribed by the Administrator: *Provided*, That subsection 504 (b) as originally enacted shall continue to be applicable to construction begun prior to the end of such sixty-day period: *Provided further*, That this subsection shall not apply to a loan for the purchase of residential property the construction of which was completed more than one year prior to the making of such loan.

"(c) The Administrator shall have the right to refuse to appraise any dwelling or housing project owned, sponsored, or to be constructed by any person identified with housing previously sold to veterans under this title as to which substantial deficiencies have been discovered, or as to which there has been a failure or indicated inability to discharge contractual liabilities to veterans, or as to which it is ascertained that the type of contract of sale or the methods or practices pursued in relation to the marketing of such properties were unfair or unduly prejudicial to veteran purchasers."

ELIGIBILITY FOR LOANS TO REFINANCE EXISTING LIABILITY

SEC. 305. Section 507 (1) of the Servicemen's Readjustment Act of 1944, as amended, is amended by inserting before the semicolon at the end thereof the following: "or, in the case of a veteran eligible by virtue of active service on or after June 27, 1950, not later than ten years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress".

EXPIRATION OF AUTHORITY TO MAKE DIRECT LOANS

SEC. 306. Section 512 (b) of the Servicemen's Readjustment Act of 1944, as amended, is amended by striking out "(D)" and inserting in lieu thereof "(C)" and by inserting before the period at the end thereof the following: ", except that if a commitment to make such a loan was issued by the Administrator prior to that date the loan may be completed subsequent to such date".

REFUSAL TO GUARANTEE OR INSURE LOANS IN CERTAIN CASES

SEC. 307. Title III of the Servicemen's Readjustment Act of 1944, as amended, is amended by adding at the end thereof the following new section:

"SEC. 514. Whenever the Administrator finds with respect to loans guaranteed or insured under this title that any lender or holder has failed to maintain adequate loan accounting records, or to demonstrate proper ability to service loans adequately or to exercise proper credit judgment or has willfully or negligently engaged in practices otherwise detrimental to the interest of veterans or of the Government, he may refuse either temporarily or permanently to guarantee or insure any loans made by such lender or holder or bar such lender or holder from acquiring loans guaranteed or insured under this title: *Provided*, That the Administrator shall not refuse to pay a guarantee on loans theretofore entered into in good faith between the veteran and the lending institution."

TITLE IV—UNEMPLOYMENT COMPENSATION FOR VETERANS OF SERVICE ON OR AFTER JUNE 27, 1950

COMPENSATION FOR VETERANS UNDER STATE AGREEMENTS

SEC. 401. (a) The Secretary is authorized on behalf of the United States to enter into an agreement with any State, or with the agency administering the unemployment compensation law of such State, under which such State agency (1) will make, as agent of the United States, payments of compensation to veterans, in accordance with the provisions of this title, and (2) will otherwise cooperate with the Secretary, and with other State agencies, in making payments of compensation under this title.

(b) Any such agreement shall, except as provided in section 408, provide that compensation at the rate of \$26 per week will be paid by the State to any veteran in such State with respect to weeks of unemployment (not in excess of a total of 26 weeks) which occur after the ninetieth day after the date of the enactment of this Act: *Provided, however*, That if a veteran is eligible to receive mustering-out payment under section 502 of this Act, he shall not be eligible to receive compensation under this title with respect to weeks of unemployment completed within thirty days after his discharge or ninety days after the date of the enactment of this Act, whichever date is the later, if he receives \$100 in such mustering-out payment; within sixty days after his discharge or ninety days after the date of the enactment of this Act, whichever date is the later, if he receives \$200 in such mustering-out payment; or within ninety days after his discharge or ninety days after the date of the enactment of this Act, whichever date is the later, if he receives \$300 in such mustering-out payment.

(c) Any such agreement shall provide that any determination by a State agency with respect to entitlement to compensation pursuant to an agreement under this section shall be made in accordance with the State unemployment compensation law, insofar as such law is applicable, and shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in such manner and to such extent.

(d) Each agreement shall provide the terms and conditions upon which it may be amended or terminated.

COMPENSATION FOR VETERANS IN ABSENCE OF STATE AGREEMENTS

SEC. 402. (a) In the case of a veteran who is in a State which has no agreement under this title with the Secretary, the Secretary, in accordance with regulations prescribed by him, shall, upon the filing by such veteran of a claim for compensation under this subsection, make payments of compensation to him in the same amounts and for the same periods as provided in section 401 (b). Any determination by the Secretary with respect to entitlement to compensation under this subsection shall be made in accordance with the State unemployment compensation law of the State in which the veteran is insofar as such law is applicable.

(b) In the case of a veteran who is in Puerto Rico or in the Virgin Islands, the Secretary, in accordance with regulations prescribed by him, shall, upon the filing by such veteran of a claim for compensation under this subsection, make payments of compensation to him in the same amounts and for the same periods as provided in section 401 (b). Any determination by the Secretary with respect to entitlement to compensation under this subsection shall be made in accordance with the unemployment compensation law of the District of Columbia, insofar as such law is applicable.

(c) Any veteran whose claim for compensation under subsection (a) or (b) of this section has been denied shall be entitled to a fair hearing in accordance with regulations prescribed by the Secretary. Any final determination by the Secretary with respect to entitlement to compensation under this section shall be subject to review by the courts in the same manner and to the same extent as is provided in section 205 (g) of title II of the Social Security Act, as amended, with respect to final decisions of the Administrator under such title.

(d) The Secretary may utilize for the purposes of this section the personnel and facilities of the agencies in Puerto Rico and the Virgin Islands cooperating with the United States Employment Service under the Act of June 6, 1933 (48 Stat. 113), as amended. For the purpose of payments made to such agencies under such Act, the furnishing of such personnel and facilities shall be deemed to be a part of the administration of the public employment offices of such agencies.

PAYMENTS TO STATES

SEC. 403. (a) Each State shall be entitled to be paid by the United States an amount equal to the payments of compensation made by such State under and in accordance with an agreement under this title.

(b) In making payments pursuant to subsection (a) of this section there shall be paid to the State, either in advance or by way of reimbursement, as may be determined by the Secretary, such sum as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any sum by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made upon the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency.

(c) The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State sums payable to such State under this section. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payment to the State in accordance with such certification, from the funds for carrying out the purposes of this title.

(d) All money paid to a State under this title shall be used solely for the purposes for which it is paid; and any money so paid which is not used for such purposes shall be returned, at the time specified in the agreement under this title, to the Treasury and credited to current applicable appropriations, funds, or accounts from which payments to States under this title may be made.

(e) An agreement under this title may require any officer or employee of the State certifying payments or disbursing funds pursuant to the agreement, or otherwise participating in its performance, to give a surety bond to the United States in such amount as the Secretary may deem necessary, and may provide for the payment of the cost of such bond from funds for carrying out the purposes of this title.

(f) No person designated by the Secretary, or designated pursuant to an agreement under this title, as a certifying officer, shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to the payment of any compensation certified by him under this title.

(g) No disbursing officer shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment by him under this title if it was based upon a voucher signed by a certifying officer designated as provided in subsection (f) of this section.

(h) For the purpose of payments made to a State under title III of the Social Security Act, administration by the State agency of such State pursuant to an agreement under this title shall be deemed to be a part of the administration of the State unemployment compensation law.

(i) Until such time as funds are appropriated to carry out the provisions of this title, any funds available to the Department of Labor for "Grants to States for unemployment compensation and employment service administration" are hereby made available for expenditures necessary to carry out the provisions of this title: *Provided*, That any such expenditures made or obligations incurred shall be adjusted and charged to any applicable appropriation, fund, or authorization whenever a law is enacted which contains such applicable appropriation, fund, or authorization.

INFORMATION

SEC. 404. (a) All Federal departments and agencies are directed to make available to State agencies which have agreements under this title or to the Secretary, as the case may be, such information with respect to military service of any veteran as the Secretary may find practicable and necessary for the determination of such veteran's entitlement to compensation under this title.

(b) The agency administering the unemployment compensation law of any State shall furnish to the Secretary such information as the Secretary may find necessary or appropriate in carrying out the provisions of this title, and such information shall be deemed reports required by the Secretary for the purposes of paragraph (6) of subsection (a) of section 303 of the Social Security Act, as amended.

PENALTIES

SEC. 405. (a) Whoever makes a false statement or representation of a material fact knowing it to be false, or knowingly fails to disclose a material fact, to obtain or increase for himself or for any other individual any payment authorized to be

paid under this title or under an agreement thereunder shall be fined not more than \$1,000 or imprisoned for not more than one year, or both.

(b) Any person who makes, or causes to be made by another, a false statement or representation of a material fact knowing it to be false or knowingly fails, or causes another to fail, to disclose a material fact, and, as a result thereof, has received any amount as compensation under this title to which he was not entitled, shall be liable to repay such amount to the State agency or the Secretary, as the case may be, for the fund from which the amount was paid or, in the discretion of the State agency or the Secretary, as the case may be, to have such amount deducted from any future compensation payable to him under this title within the two-year period following the finding, if the existence of such nondisclosure or misrepresentation has been found by a court of competent jurisdiction or in connection with a reconsideration or appeal.

REGULATIONS

SEC. 406. The Secretary is hereby authorized to make such rules and regulations as may be necessary to carry out the provisions of this title. The Secretary shall insofar as practicable consult with representatives of the State unemployment compensation agencies before prescribing any rules or regulations which may affect the performance by such agencies of functions pursuant to agreements under this title.

DEFINITIONS

SEC. 407. When used in this title—

(a) The term "veteran" means any person who has served in the active service in the Armed Forces at any time on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, and who has been discharged or released from such active service under conditions other than dishonorable after continuous service of ninety days or more, or by reason of an actual service-incurred injury or disability.

(b) The term "compensation" means the money payments to individuals with respect to their unemployment.

(c) The term "Secretary" means the Secretary of Labor.

(d) The term "State" includes Hawaii, Alaska, Puerto Rico, the Virgin Islands, and the District of Columbia.

(e) The term "Armed Forces" means the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard of the United States.

NONDUPLICATION OF BENEFITS

SEC. 408. (a) Notwithstanding any other provision of this title, no payment shall be made under any agreement under this title, or, in the absence of such an agreement, by the Secretary under this title, to a veteran for—

(1) any week or any part of a week he is eligible (or would be eligible except for the provisions of this title or except for any action taken by such veteran under this title) to receive unemployment benefits at a rate equal to or in excess of \$26 per week under any Federal or State unemployment compensation law,

(2) any period with respect to which he receives an education and training allowance under subsection (a), (b), (c), or (d) of section 232 of this Act or a subsistence allowance under part VII or part VIII of Veterans Regulation Numbered 1 (a), as amended, or

(3) any period he receives additional compensation necessary for his maintenance under section 6 (b) (2) of the Federal Employees Compensation Act, as amended.

(b) In any case in which, for any week or any part of a week, a veteran is eligible for payment of compensation under this title and is also eligible (or would be eligible except for the provisions of this title or except for any action taken by such veteran under this title) to receive for such week or such part of a week unemployment benefits at a rate less than \$26 per week under any Federal or State unemployment compensation law, such veteran may elect to receive payment of compensation under this title; but if the veteran so elects, the amount of compensation payable under this title shall be reduced by the amount of such compensation benefits for which such veteran is eligible (or would be eligible except for the provisions of this title or except for any action taken by such veteran under this title) under such Federal or State unemployment compensation law.

(c) If the veteran elects under subsection (b) to receive payment of compensation under this title, he shall be entitled to additional compensation at the rate

of \$26 per week after the exhaustion of State unemployment benefits until the total compensation received under this title equals \$676.

(d) Under no circumstances shall any veteran receive compensation under this title from more than one State at one time or in a total amount in excess of \$676.

TERMINATION

SEC. 409. No compensation shall be paid under this title for any week commencing more than five years after the date determined by Presidential proclamation or concurrent resolution of the Congress prescribed in section 407 (a).

TITLE V—MUSTERING-OUT PAYMENTS

ELIGIBILITY FOR PAYMENTS

SEC. 501. (a) Except as provided in subsection (b) of this section, each member of the Armed Forces who shall have been engaged in active service on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, and who is discharged or relieved from active service under honorable conditions, shall be eligible to receive mustering-out payment.

(b) No mustering-out payment shall be made to—

(1) any member of the Armed Forces who, at the time of discharge or relief from active service, is in a pay grade higher than O-3;

(2) any member of the Armed Forces who, at the time of discharge or release from active service, is entitled to severance pay or is transferred or returned to the retired list with retired pay, retirement pay, retainer pay, or equivalent pay, or to a status in which he receives such pay: *Provided*, That this paragraph shall not apply upon retirement or separation pursuant to title IV of the Career Compensation Act of 1949;

(3) any member of the Armed Forces for any active service performed prior to the date of his discharge or relief from active service on his own initiative to accept employment or, in the case of any member so relieved from active service, for any active service performed prior to the date of his discharge while in such inactive status, unless he has served outside the continental limits of the United States or in Alaska;

(4) any member of the Armed Forces whose total period of service has been as a student assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians;

(5) any member of the Armed Forces for any active service performed prior to the date of his discharge from such forces for the purpose of entering the United States Military Academy, the United States Naval Academy, or the United States Coast Guard Academy;

(6) any member of the Armed Forces whose sole service has been as a cadet at the United States Military Academy or the United States Coast Guard Academy, or as a midshipman at the United States Naval Academy, or in a preparatory school after nomination as a principal, alternate, or candidate for admission to any of said Academies;

(7) any commissioned officer unless he is discharged or relieved from active service within three years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress; and

(8) any member of the Armed Forces who is ordered to active service for the sole purpose of training duty or a physical examination, or for a period of less than sixty days.

(c) A member of the Armed Forces who is eligible to receive mustering-out payments under this title and under the Mustering-Out Payment Act of 1944 for the same period of active service shall elect to receive such payment either under this title or such Act, but shall not be entitled to payment under both provisions of law.

DETERMINATION OF PAYMENTS

SEC. 502. (a) Mustering-out payment for persons eligible under section 501 shall be in sums as follows:

(1) \$300 for persons who, having performed active service for sixty days or more, have served outside the continental limits of the United States or in Alaska.

(2) \$200 for persons who, having performed active service for sixty days or more, have served no part thereof outside the continental limits of the United States or in Alaska.

(3) \$100 for persons who have performed active service for less than sixty days.

(b) Each person eligible to receive mustering-out payment under subsection (a) (1) shall receive one-third of the stipulated amount at the time of final discharge or ultimate relief from active service, or at the option of the person so eligible, at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces; and the remaining amount of such payment shall be paid in two equal installments—one month and two months, respectively, from the date of the original payment. Each person eligible to receive mustering-out payment under subsection (a) (2) shall receive one-half of the stipulated amount at the time of final discharge or ultimate relief from active service or, at the option of the person so eligible, at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces; and the remaining amount of such payment shall be paid one month from the date of the original payment. Each person eligible to receive mustering-out payment under subsection (a) (3) shall receive the stipulated amount at the time of such discharge or relief from active service or, at the option of the person so eligible, at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces. A person entitled to receive the first installment of the mustering-out payment at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces shall, at his election, receive the whole of such payment in one lump sum, rather than in installments.

TIME LIMITATIONS

SEC. 503. Any member of the Armed Forces entitled to mustering-out payment who shall have been discharged or relieved from active service under honorable conditions before the effective date of this title shall, if application therefor is made within two years after the date of enactment of this title, be paid such mustering-out payment by the Department of the Army, Navy, or Air Force, or the Treasury Department, as the case may be, beginning within one month after application has been received and approved by such department. No member of the Armed Forces shall receive mustering-out payment under this title more than once, and such payment shall accrue and the amount thereof shall be computed as of the time of discharge for the purpose of effecting a permanent separation from the service or of ultimate relief from active service or, at the option of such member, for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces.

DECEASED MEMBERS

SEC. 504. If any member of the Armed Forces, after his discharge or relief from active service, shall die before receiving any portion of or the full amount of his mustering-out payment, the balance of the amount due him shall be payable, on appropriate application therefor, to his surviving spouse, if any; and if he shall leave no surviving spouse, then in equal shares to his child or children, if any; and if he shall leave no surviving spouse or child or children, then in equal shares to his surviving parents, if any. No payments under this title shall be made to any other person.

ADMINISTRATION OF TITLE

SEC. 505. (a) Mustering-out payments due or to become due under this title shall not be assignable and any payments made to or on account of a veteran hereunder shall be exempt from taxation, shall be exempt from the claims of creditors, including any claim of the United States, and shall not be subject to attachment, levy, or seizure by or under any legal or equitable process whatever either before or after receipt by the payee.

(b) The Secretaries of the Army, Navy, Air Force, and Treasury shall make such regulations not inconsistent with this title as may be necessary effectively to carry out the provisions thereof, and their decisions shall be final and not subject to review by any court or other Government official.

(c) The Secretaries of the Army, Navy, Air Force, and Treasury, or such subordinate officers as they may designate, are authorized to make direct payment to survivors over seventeen years of age, and to select a proper person or persons to whom mustering-out payments may be made for the use and benefit of former active members of the Armed Forces, or survivors thereof, as defined by section 504 hereof, without the necessity of appointment by judicial proceedings of a legal representative of any such former member or such survivors when,

in the opinion of the respective Secretaries or their designees, the interests of persons under seventeen years of age so justify, or where the former active member or his survivors is suffering from a mental disability sufficient to make direct payment not in the best interests of such person or persons. Payments made under the provisions of this subsection shall constitute a complete discharge of the obligation of the United States as provided in this title; and the selection of a proper person or persons, as provided herein, and the correctness of the amount due and paid to such person or persons shall have the same finality as that accorded decisions made pursuant to subsection (b). The provisions of this subsection shall not apply where a legal guardian or committee has been judicially appointed, except as to any payments made hereunder prior to the receipt of notice of appointment.

DEFINITIONS

SEC. 506. As used in this title—

(a) The term "spouse" means a lawful wife or husband.

(b) The term "child" includes (1) a legitimate child; (2) a child legally adopted; and (3) a stepchild, if, at the time of death of the member of the Armed Forces, such stepchild was a member of the deceased's household.

(c) The term "parent" includes father and mother, stepfather and stepmother, and father and mother through adoption.

(d) The term "Armed Forces" means the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard of the United States.

TITLE VI—MISCELLANEOUS

JOB COUNSELING AND EMPLOYMENT PLACEMENT

SEC. 601. Section 607 of title IV, Servicemen's Readjustment Act of 1944, as amended (38 U. S. C. 695f), is hereby amended to read as follows:

"SEC. 607. The term 'veteran' as used in this title shall mean a person who served in the active service of the Armed Forces during a period of war in which the United States has been, or is, engaged, or during the period on or after June 27, 1950, and prior to such date as may be thereafter determined by Presidential proclamation or concurrent resolution of the Congress, and who has been discharged or released therefrom under conditions other than dishonorable."

AUTHORIZATION OF APPROPRIATIONS

SEC. 603. There are hereby authorized to be appropriated such sums as may be necessary to carry out this Act.

J. E. RANKIN,
OLIN E. TEAGUE,
WALTER ROGERS,
EDITH NOURSE ROGERS,
ALVIN E. O'KONSKI,

Managers on the Part of the House.



Jones, Hamilton C.	Murray Norblad	Smith, Va. Springer
Jones, Woodrow W.	Norrell Norrell	Stanley Steed
Judd	O'Brien, Mich.	Talle
Kean	Ostertag	Teague
Keating	Phillips	Thornberry
Kerr	Prouty	Tollefson
Lane	Radwan	Trimble
Lanham	Reams	Van Pelt
Lantaff	Redden	Velde
Latham	Ribicoff	Vursell
LeCompte	Riehlman	Walter
Lucas	Roberts	Weichel
McCulloch	Rodino	Wheeler
McGregor	Rogers, Colo.	Widnall
McIntire	Rogers, Fla.	Williams, Miss.
McMullen	Rogers, Tex.	Wilson, Tex.
McVey	Ross	Winstead
Mack, Wash.	Schenck	Wood, Idaho
Martin, Iowa	Scudder	Yates
Morrow	Seely-Brown	Yorty
Miller, N. Y.	Sittler	
Mills	Smith, Miss.	

NAYS—173

Allen, Ill.	Gavin	Murphy
Andersen, H. Carl	Golden	Nicholson
Anderson, Calif.	Gordon	O'Brien, Ill.
Andresen, August H.	Graham	O'Konski
Angell	Granahan	O'Neill
Arends	Green	Osmers
Aspinall	Greenwood	O'Toole
Auchincloss	Hall	Passman
Bailey	Leonard W.	Patten
Barrett	Halleck	Patterson
Bates, Mass.	Hand	Perkins
Beall	Harrison, Nebr.	Polk
Betts	Hart	Poulson
Bishop	Havenner	Preston
Blatnik	Hays, Ohio	Price
Bolling	Hedrick	Rabaut
Bosone	Heffernan	Rankin
Bow	Hess	Reed, Ill.
Bray	Hill	Reed, N. Y.
Brownson	Hoffman, Mich.	Rees, Kans.
Buchanan	Horan	Rhodes
Budge	Hull	Riley
Burnside	Irving	Rivers
Bush	Jackson, Wash.	Rogers, Mass.
Cannon	James	Rooney
Carnahan	Jenkins	Roosevelt
Carrigg	Jones, Mo.	Sasser
Celler	Karsten, Mo.	Saylor
Chenoweth	Kearns	Scott, Hardie
Chudoff	Kee	Scrivner
Clevenger	Kelley, Pa.	Secrest
Crawford	Kelly, N. Y.	Shafer
Crosser	King, Calif.	Shelley
Curtis, Mo.	Kirwan	Sheppard
Curtis, Nebr.	Kluczyński	Short
Davis, Wis.	Lesinski	Sieminski
Delaney	Lind	Simpson, Ill.
Dempsey	Lovre	Simpson, Pa.
Denny	McConnell	Smith, Kans.
Denton	McCormack	Smith, Wis.
Dingell	McDonough	Staggers
Dollinger	McGrath	Stockman
Dondero	McGuire	Taber
Doyle	McKinnon	Thomas
Eberhart	Machrowicz	Thompson, Mich.
Engle	Mack, Ill.	Van Zandt
Fallon	Madden	Vinson
Feighan	Magee	Vorys
Fernandez	Mahon	Werdel
Fine	Mansfield	Wharton
Flood	Marshall	Whitten
Fogarty	Meador	Wier
Forand	Miller, Calif.	Wigglesworth
Ford	Miller, Md.	Williams, N. Y.
Fulton	Miller, Nebr.	Wilson, Ind.
Garmatz	Morgan	Withrow
Gary	Multer	Wolverton
	Mumma	Zablocki
	Murdock	

NOT VOTING—102

Aandahl	Butler	Forrester
Abernethy	Camp	Furcolo
Adair	Carlyle	George
Allen, La.	Clemente	Granger
Anfuso	Cole, Kans.	Hall
Bakewell	Cole, N. Y.	Edwin Arthur
Baring	Combs	Harden
Bates, Ky.	Cooper	Hébert
Beckworth	Davis, Tenn.	Heller
Bender	Dawson	Herter
Bentsen	Dolliver	Heseltun
Blackney	Eaton	Hillings
Brehm	Elston	Hoffman, Ill.
Brown, Ohio	Evins	Holifield
Buckley	Fenton	Hope
Burdick	Fisher	Johnson

Jonas	Morton	Scott, Hugh D., Jr.
Kearney	Moulder	Sheehan
Kennedy	Nelson	Sikes
Keogh	O'Brien, N. Y.	Spence
Kersten, Wis.	O'Hara	Stigler
Kilburn	Patman	Sutton
Kilday	Poage	Tackett
King, Pa.	Potter	Taylor
Klein	Powell	Thompson, Tex.
Larcade	Priest	Vall
Lyle	Rains	Watts
McCarthy	Ramsay	Welch
McMillan	Reece, Tenn.	Wickersham
Martin, Mass.	Regan	Willis
Mason	Richards	Wolcott
Mitchell	Robeson	Wood, Ga.
Morano	Sabath	Woodruff
Morris	Sadlak	
Morrison	St. George	

So the resolution was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Keogh against.
 Mr. Abernethy for, with Mr. Mitchell against.
 Mr. Robeson for, with Mr. Heller against.
 Mr. Forrester for, with Mr. Klein against.
 Mr. Camp for, with Mr. O'Brien of New York against.
 Mr. Wood for, with Mr. Clemente against.

Until further notice:

Mr. Morrison with Mr. Adair.
 Mr. Wickersham with Mr. Bakewell.
 Mr. Moulder with Mr. Bender.
 Mr. Cooper with Mr. Morano.
 Mr. Evins with Mr. Mason.
 Mr. Morris with Mr. Morton.
 Mr. Granger with Mr. Nelson.
 Mr. Powell with Cole of New York.
 Mr. Anfuso with Mr. Fenton.
 Mr. Allen of Louisiana with Mrs. Harden.
 Mr. Holifield with Mr. Hillings.
 Mr. Sabath with Mr. George.
 Mr. Kilday with Mr. Elston.
 Mr. McCarthy with Mr. Blackney.
 Mr. Lyle with Mr. King of Pennsylvania.
 Mr. McMillan with Mr. Kearney.
 Mr. Sikes with Mr. Hope.
 Mr. Welch with Mr. Hoffman of Illinois.
 Mr. Willis with Mr. Vail.
 Mr. Bates of Kentucky with Mr. Taylor.
 Mr. Bentsen with Mr. Potter.
 Mr. Buckley with Mr. Reece of Tennessee.
 Mr. Furcolo with Mr. Herter.
 Mr. Patman with Mr. Heseltun.
 Mr. Priest with Mr. Wolcott.
 Mr. Rains with Mr. Woodruff.
 Mr. Ramsay with Mr. Brown of Ohio.
 Mr. Kennedy with Mr. Sadlak.
 Mr. Larcade with Mrs. St. George.
 Mr. Watts with Mr. Butler.
 Mr. Dawson with Mr. O'Hara.
 Mr. Sutton with Mr. Sheehan.

Mrs. BOLTON changed her vote from "nay" to "yea."

MESSRS. MANSFIELD and PATTERSON changed their vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

GENERAL LEAVE TO EXTEND REMARKS

Mr. COLMER. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on the resolution just considered.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. VORYS. Mr. Speaker, the Colmer bill looks fine superficially, and if it

would do the things its proponents claim for it. I would be for it, but sad experience with similar proposals convinces me it will not work. It would replace a similar budget provision in the Legislative Reorganization Act which looks good on its surface but which has never worked as planned. I helped create a "watchdog committee" in the ECA law, a joint House-Senate committee with a staff to do exactly the same thing for foreign-aid spending that is proposed for our entire budget. I served on that "watchdog committee" as long as it functioned. While it did some constructive work at the outset, I regret to say that its net value during its existence was not much.

What is needed is to expand the Appropriations Committee staff with the right kind of qualified personnel in sufficient numbers. This was done in the Eightieth Congress. This excellent staff was dismantled in the Eighty-first Congress, and has never been restored.

One thing is clear: We will never secure real economy in Government under a spending administration, no matter what Congress does. On the other hand, if we elect a Republican President and a Republican Congress, I feel sure that proper machinery for screening and reducing expenditures will be provided, both in the executive departments and here in Congress.

AMENDING DEFENSE HOUSING LAWS

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill (S. 3066) to amend defense housing laws, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

(The conference report and statement follows:)

CONFERENCE REPORT (H. REPT. NO. 2480)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3066) to amend defense housing laws, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment numbered 1.

That the Senate recede from its disagreement to the amendment of the House numbered 2.

BRENT SPENCE,
 PAUL BROWN,
 WRIGHT PATMAN,
 ALBERT RAINS,
 HENRY O. TALLE,
 ALBERT M. COLE,

Managers on the Part of the House.

B. R. MAYBANK,
 A. WILLIS ROBERTSON,
 JOHN SPARKMAN,
 HOMER E. CAPEHART,
 ANDREW F. SCHOEPPLE,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of

the two Houses on the amendments of the House to the bill (S. 3066) to amend defense housing laws, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendment No. 1 of the House struck out section 12 of the Senate bill which section would have amended section 5 (c) of the Home Owners' Loan Act of 1933, as amended, to authorize Federal savings and loan associations to purchase loans secured by first liens on improved real estate which are insured under the provisions of the National Housing Act, as amended, or the Servicemen's Readjustment Act of 1944, as amended, without regard to the fifty-mile area restriction now applicable to such purchases. In retaining this provision authorizing such purchases the committee of conference desires to make it clear that the authority so provided is permissive, and that it does not authorize any such association to originate this type of loan beyond the present statutory area limitations.

Amendment No. 2, which is retained in the conference report, pertains to certain insuring programs administered by the Federal Housing Commissioner pursuant to the National Housing Act.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
ALBERT RAINS,
HENRY O. TALLE,
ALBERT M. COLE,

Managers on the Part of the House.

VETERANS' READJUSTMENT ASSISTANCE ACT OF 1952

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill (H. R. 7656) to provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

CONFERENCE REPORT (H. REPT. NO. 2481)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7656) to provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 4, 11, 12, 13, 14, 15, 16, 17, 20, 23, 26, 27, 28, 35, 36, 37, 42, 43, 44, 45, 46, 58, 59, 60, 61, 68, 69, 82, 84, 97, 98, 108, 114, and 115.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 8, 9, 31, 32, 40, 41, 48, 50, 51, 52, 53, 54, 55, 56, 57, 62, 63, 64, 65, 67, 71, 73, 74, 75, 77, 78, 79, 80, 85, 86, 99, 100, 101, 102, 103, 104, 105, 106, 107, 109, 110, 111, 112, and 113, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: Strike out the matter proposed to be stricken

by the Senate amendment and insert in lieu thereof the following: "the unemployment compensation benefits," and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: Strike out the matter proposed to be stricken out by the Senate amendment, insert the matter proposed to be inserted by the Senate amendment, and on page 5, line 24, of the House engrossed bill strike out "1" and in lieu thereof insert "20"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: Strike out the matter proposed to be stricken out by the Senate amendment and insert in lieu thereof the following: "Notwithstanding the foregoing provisions of this section, an eligible veteran may not pursue a program of education or training at an educational institution or training establishment which is not located in a State, unless such program is pursued at an approved educational institution of higher learning. The Administrator in his discretion may deny or discontinue the enrollment under this title of any veteran in a foreign educational institution if he finds that such enrollment is not for the best interest of the veteran or the Government." And the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendment and on page 10, line 3, of the House engrossed bill, after the word "veteran" insert "(except an eligible veteran whose program has been interrupted or discontinued due to his own misconduct, his own neglect, or his own lack of application)"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "eighty-five per centum"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "\$135"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "dependent, or at the rate of \$160 per month, if he has more than one dependent"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "\$100"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following "dependent, or at the rate of \$120 per month, if he has more than one dependent"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree

to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "\$60"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "dependent, or at the rate of \$80 per month, if he has more than one dependent"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following "\$110"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "dependent, or (3) \$130 per month, if he has more than one dependent"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: Strike out the matter proposed to be stricken out by the Senate amendment, omit the matter proposed to be inserted by the Senate amendment, and on page 17, lines 22 and 23, of the House engrossed bill strike out "(1) \$225 per month, if he has no dependent, or (2)"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows: Strike out the matter proposed to be stricken out by the Senate amendment, omit the matter proposed to be inserted by the Senate amendment, and on page 17, lines 23 and 24, of the House engrossed bill strike out "per month, if he has one" and in lieu thereof insert "\$310 per month"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "\$110"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "dependent, or (3) \$130 per month, if he has more than one dependent"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "Provided, That the Administrator shall not define full-time apprentice training for a particular establishment other than that established as the standard work-week through bona fide collective bargaining between employers and employees"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows: Restore the matter proposed to be stricken out by the Senate amendment, and on page 22, line 12, of the House engrossed bill, strike

out "\$31" and in lieu thereof insert "\$10"; and the Senate agree to the same.

Amendment numbered 66: That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "and the Director, Bureau of Apprenticeship, Department of Labor"; and the Senate agree to the same.

Amendment numbered 70: That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(d) The Administrator may, after reasonable notice and public hearings, waive in writing the application of this section in the case of any officer or employee of the Veterans' Administration, of the Office of Education, or of a State approving agency, if he finds that no detriment will result to the United States or to eligible veterans by reason of such interest or connection of such officer or employee."

And the Senate agree to the same.

Amendment numbered 72: That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(b) The Administrator shall pay to each educational institution which is required to submit reports and certifications to the Administrator under this title, an allowance at the rate of \$1.50 per month for each eligible veteran enrolled in and attending such institution under the provisions of this title to assist the educational institution in defraying the expense of preparing and submitting such reports and certifications. Such allowances shall be paid in such manner and at such times as may be prescribed by the Administrator, except that in the event any institution fails to submit reports or certifications to the Administrator as required by this title, no allowance shall be paid to such institution for the month or months during which such reports or certifications were not submitted as required by the Administrator."

And the Senate agree to the same.

Amendment numbered 76: That the House recede from its disagreement to the amendment of the Senate numbered 76, and agree to the same with an amendment as follows: Strike out the matter proposed to be stricken out by the Senate amendment, insert the matter proposed to be inserted by the Senate amendment, and on page 49, line 10, of the House engrossed bill strike out "1" and in lieu thereof insert "20"; and the Senate agree to the same.

Amendment numbered 81: That the House recede from its disagreement to the amendment of the Senate numbered 81, and agree to the same with an amendment as follows: Strike out the matter proposed to be stricken out by the Senate amendment and in lieu thereof insert: "; substantial deficiencies in housing"; and the Senate agree to the same.

Amendment numbered 83: That the House recede from its disagreement to the amendment of the Senate numbered 83, and agree to the same with an amendment as follows: Strike out the matter proposed to be stricken out by the Senate amendment and in lieu thereof insert:

"(c) The Administrator shall have the right to refuse to appraise any dwelling or housing project owned, sponsored, or to be constructed by any person identified with housing previously sold to veterans under this title as to which substantial deficiencies have been discovered, or as to which there has been a failure or indicated inability to discharge contractual liabilities to veterans,

or as to which it is ascertained that the type of contract of sale or the methods or practices pursued in relation to the marketing of such properties were unfair or unduly prejudicial to veteran purchasers."

And the Senate agree to the same.

Amendment numbered 87: That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "TITLE IV—UNEMPLOYMENT COMPENSATION FOR VETERANS OF SERVICE ON OR AFTER JUNE 27, 1950"; and the Senate agree to the same.

Amendment numbered 88: That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"COMPENSATION FOR VETERANS UNDER STATE AGREEMENTS

"SEC. 401. (a) The Secretary is authorized on behalf of the United States to enter into an agreement with any State, or with the agency administering the unemployment compensation law of such State, under which such State agency (1) will make, as agent of the United States, payments of compensation to veterans, in accordance with the provisions of this title, and (2) will otherwise cooperate with the Secretary, and with other State agencies, in making payments of compensation under this title.

"(b) Any such agreement shall, except as provided in section 408, provide that compensation at the rate of \$26 per week will be paid by the State to any veteran in such State with respect to weeks of unemployment (not in excess of a total of 26 weeks) which occur after the ninetieth day after the date of the enactment of this Act: *Provided, however,* That if a veteran is eligible to receive mustering-out payment under section 502 of this Act, he shall not be eligible to receive compensation under this title with respect to weeks of unemployment completed within thirty days after his discharge or ninety days after the date of the enactment of this Act, whichever date is the later, if he receives \$100 in such mustering-out payment; within sixty days after his discharge or ninety days after the date of the enactment of this Act, whichever date is the later, if he receives \$200 in such mustering-out payment; or within ninety days after his discharge or ninety days after the date of the enactment of this Act, whichever date is the later, if he receives \$300 in such mustering-out payment.

"(c) Any such agreement shall provide that any determination by a State agency with respect to entitlement to compensation pursuant to an agreement under this section shall be made in accordance with the State unemployment compensation law, insofar as such law is applicable, and shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in such manner and to such extent.

"(d) Each agreement shall provide the terms and conditions upon which it may be amended or terminated."

And the Senate agree to the same.

Amendment numbered 89: That the House recede from its disagreement to the amendment of the Senate numbered 89, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"COMPENSATION FOR VETERANS IN ABSENCE OF STATE AGREEMENTS

"SEC. 402. (a) In the case of a veteran who is in a State which has no agreement under this title with the Secretary, the Secretary,

in accordance with regulations prescribed by him, shall, upon the filing by such veteran of a claim for compensation under this subsection, make payments of compensation to him in the same amounts and for the same periods as provided in section 401 (b). Any determination by the Secretary with respect to entitlement to compensation under this subsection shall be made in accordance with the State unemployment compensation law of the State in which the veteran is insofar as such law is applicable.

"(b) In the case of a veteran who is in Puerto Rico or in the Virgin Islands, the Secretary, in accordance with regulations prescribed by him, shall, upon the filing by such veteran of a claim for compensation under this subsection, make payments of compensation to him in the same amounts and for the same periods as provided in section 401 (b). Any determination by the Secretary with respect to entitlement to compensation under this subsection shall be made in accordance with the unemployment compensation law of the District of Columbia, insofar as such law is applicable.

"(c) Any veteran whose claim for compensation under subsection (a) or (b) of this section has been denied shall be entitled to a fair hearing in accordance with regulations prescribed by the Secretary. Any final determination by the Secretary with respect to entitlement to compensation under this section shall be subject to review by the courts in the same manner and to the same extent as is provided in section 205 (g) of title II of the Social Security Act, as amended, with respect to final decisions of the Administrator under such title.

"(d) The Secretary may utilize for the purposes of this section the personnel and facilities of the agencies in Puerto Rico and the Virgin Islands cooperating with the United States Employment Service under the act of June 6, 1933 (48 Stat. 113), as amended. For the purpose of payments made to such agencies under such Act, the furnishing of such personnel and facilities shall be deemed to be a part of the administration of the public employment offices of such agencies."

And the Senate agree to the same.

Amendment numbered 90: That the House recede from its disagreement to the amendment of the Senate numbered 90, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"PAYMENTS TO STATES

"SEC. 403. (a) Each State shall be entitled to be paid by the United States an amount equal to the payments of compensation made by such State under and in accordance with an agreement under this title.

"(b) In making payments pursuant to subsection (a) of this section there shall be paid to the State, either in advance or by way of reimbursement, as may be determined by the Secretary, such sum as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any sum by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made upon the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency.

"(c) The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State sums payable to such State under this section. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payment to the State in accordance with such certification, from the funds for carrying out the purposes of this title.

"(d) All money paid to a State under this title shall be used solely for the purposes

for which it is paid; and any money so paid which is not used for such purposes shall be returned, at the time specified in the agreement under this title, to the Treasury and credited to current applicable appropriations, funds, or accounts from which payments to States under this title may be made.

"(e) An agreement under this title may require any officer or employee of the State certifying payments or disbursing funds pursuant to the agreement, or otherwise participating in its performance, to give a surety bond to the United States in such amount as the Secretary may deem necessary, and may provide for the payment of the cost of such bond from funds for carrying out the purposes of this title.

"(f) No person designated by the Secretary, or designated pursuant to an agreement under this title, as a certifying officer, shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to the payment of any compensation certified by him under this title.

"(g) No disbursing officer shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment by him under this title if it was based upon a voucher signed by a certifying officer designated as provided in subsection (f) of this section.

"(h) For the purpose of payments made to a State under title III of the Social Security Act, administration by the State agency of such State pursuant to an agreement under this title shall be deemed to be a part of the administration of the State unemployment compensation law.

"(i) Until such time as funds are appropriated to carry out the provisions of this title any funds available to the Department of Labor for "Grants to States for unemployment compensation and employment service administration" are hereby made available for expenditures necessary to carry out the provisions of this title: *Provided*, That any such expenditures made or obligations incurred shall be adjusted and charged to any applicable appropriation, fund, or authorization whenever a law is enacted which contains such applicable appropriation, fund, or authorization."

And the Senate agree to the same.

Amendment numbered 91: That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"INFORMATION

"SEC. 404. (a) All Federal departments and agencies are directed to make available to State agencies which have agreements under this title or to the Secretary, as the case may be, such information with respect to military service of any veteran as the Secretary may find practicable and necessary for the determination of such veteran's entitlement to compensation under this title.

"(b) The agency administering the unemployment compensation law of any State shall furnish to the Secretary such information as the Secretary may find necessary or appropriate in carrying out the provisions of this title, and such information shall be deemed reports required by the Secretary for the purposes of paragraph (6) of subsection (a) of section 303 of the Social Security Act, as amended."

Amendment numbered 92: That the House recede from its disagreement to the amendment of the Senate numbered 92, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"PENALTIES

"SEC. 405 (a) Whoever makes a false statement or representation of a material fact knowing it to be false, or knowingly fails

to disclose a material fact, to obtain or increase for himself or for any other individual any payment authorized to be paid under this title or under an agreement thereunder shall be fined not more than \$1,000 or imprisoned for not more than one year, or both.

"(b) Any person who makes, or causes to be made by another, a false statement or representation of a material fact knowing it to be false or knowingly fails, or causes another to fail, to disclose a material fact, and, as a result thereof, has received any amount as compensation under this title to which he was not entitled, shall be liable to repay such amount to the State agency or the Secretary, as the case may be, for the fund from which the amount was paid or, in the discretion of the State agency or the Secretary, as the case may be, to have such amount deducted from any future compensation payable to him under this title within the two-year period following the finding, if the existence of such nondisclosure or misrepresentation has been found by a court of competent jurisdiction or in connection with a reconsideration or appeal."

And the Senate agree to the same.

Amendment numbered 93: That the House recede from its disagreement to the amendment of the Senate numbered 93, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"REGULATIONS

"SEC. 406. The Secretary is hereby authorized to make such rules and regulations as may be necessary to carry out the provisions of this title. The Secretary shall insofar as practicable consult with representatives of the State unemployment compensation agencies before prescribing any rules or regulations which may affect the performance by such agencies of functions pursuant to agreements under this title."

And the Senate agree to the same.

Amendment numbered 94: That the House recede from its disagreement to the amendment of the Senate numbered 94, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"DEFINITIONS

"SEC. 407. When used in this title—

"(a) The term 'veteran' means any person who has served in the active service in the Armed Forces at any time on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, and who has been discharged or released from such active service under conditions other than dishonorable after continuous service of ninety days or more, or by reason of an actual service-incurred injury or disability.

"(b) The term 'compensation' means the money payments to individuals with respect to their unemployment.

"(c) The term 'Secretary' means the Secretary of Labor.

"(d) The term 'State' includes Hawaii, Alaska, Puerto Rico, the Virgin Islands, and the District of Columbia.

"(e) The term 'Armed Forces' means the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard of the United States."

And the Senate agree to the same.

Amendment numbered 95: That the House recede from its disagreement to the amendment of the Senate numbered 95, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"NONDUPLICATION OF BENEFITS

"SEC. 408. (a) Notwithstanding any other provision of this title, no payment shall be made under any agreement under this title,

or, in the absence of such an agreement, by the Secretary under this title, to a veteran for—

"(1) any week or any part of a week he is eligible (or would be eligible except for the provisions of this title or except for any action taken by such veteran under this title) to receive unemployment benefits at a rate equal to or in excess of \$26 per week under any Federal or State unemployment compensation law,

"(2) any period with respect to which he receives an education and training allowance under subsection (a), (b), (c), or (d) of section 232 of this Act or a subsistence allowance under part VII or part VIII of Veterans Regulation Numbered 1 (a), as amended, or

"(3) any period he receives additional compensation necessary for his maintenance under section 6 (b) (2) of the Federal Employees Compensation Act, as amended.

"(b) In any case in which, for any week or any part of a week, a veteran is eligible for payment of compensation under this title and is also eligible (or would be eligible except for the provisions of this title or except for any action taken by such veteran under this title) to receive for such week or such part of a week unemployment benefits at a rate less than \$26 per week under any Federal or State unemployment compensation law, such veteran may elect to receive payment of compensation under this title; but if the veteran so elects, the amount of compensation payable under this title shall be reduced by the amount of such compensation benefits for which such veteran is eligible (or would be eligible except for the provisions of this title or except for any action taken by such veteran under this title) under such Federal or State unemployment compensation law.

"(c) If the veteran elects under subsection (b) to receive payment of compensation under this title, he shall be entitled to compensation at the rate of \$26 per week after the exhaustion of State unemployment benefits until the total compensation received under this title equals \$676.

"(d) Under no circumstances shall any veteran receive compensation under this title from more than one State at one time or in a total amount in excess of \$676."

And the Senate agree to the same.

Amendment numbered 96: That the House recede from its disagreement to the amendment of the Senate numbered 96, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TERMINATION

"SEC. 409. No compensation shall be paid under this title for any week commencing more than five years after the date determined by Presidential proclamation or concurrent resolution of the Congress prescribed in section 407 (a)."

And the Senate agree to the same.

J. E. RANKIN,
OLIN E. TEAGUE,
WALTER ROGERS,
EDITH NOURSE ROGERS,
ALVIN E. O'KONSKI,

Managers on the Part of the House.

LISTER HILL,
PAUL H. DOUGLAS,
JOHN O. PASTORE,
GEORGE AIKEN,
I. M. IVES,

Managers on the Part of the Senate.

STATEMENT

The conference agreement largely conforms to the bill as passed by the House.

The House version provided that courses should be initiated no later than September 1, 1954, or 2 years after discharge or release. The Senate amendment provided for August 1, 1954, and the conference agreement provides that courses must be initiated by August 20, 1954.

The House version had precluded any training outside the United States except in the Republic of the Philippines. The Senate struck out this provision. The conference agreement permits the taking of courses in institutions of higher learning above the secondary school level in foreign countries. The conferees wish to stress that this program of education should be most carefully supervised. The conference agreement provides that the Veterans' Administration may discontinue benefits to any veteran in a foreign school where his conduct is detrimental to the best interests of the United States.

The one change of program by the veteran is retained as provided in the House version with language which the conferees believe will further strengthen this safeguard in the case of veterans who fail to apply themselves.

The section relating to avocational and recreational courses has had the flight training portion removed, inasmuch as this type of training is covered by very strong safeguards in another section of the bill.

The House version required that at least 25 percent nonveterans should be enrolled in any course offered by a proprietary profit or proprietary nonprofit school before a veteran could be enrolled. The Senate had reduced this requirement to 10 percent. The conference agreement provides for 15 percent. The conferees emphasized that the Veterans' Administration must be alert to subterfuges by schools that might attempt to pay tuition of nonveterans in an effort to evade this requirement. The House bill required that certain schools to be eligible for participation in this program must have been in existence for 2 years. The Senate reduced that to 1 year immediately prior to enrollment of the veteran. The agreement retains the 2-year period.

As passed by the House, the bill provided education and training allowance of \$110 a month for a veteran taking a full-time course and who has no dependents, or \$150 a month for a veteran with dependents, to be paid at the end of each month upon proper certification by the veteran and the school. From this amount the veteran is required to pay all of his expenses incident to his education or training. The version reported by the Committee on Labor and Public Welfare and passed by the Senate set up an entirely new formula. It reduced the subsistence allowance for the veteran to \$80 where the veteran was single and provided that he should have paid to him an additional sum not to exceed \$40 a month to meet the cost of tuition. The Senate amendment provided that the Veterans' Administration would determine the fair and reasonable rates in any school with less than 15 percent nonveterans enrolled. This provision violated the basic spirit and intent of the measure as passed by the House and thus the House conferees strongly resisted the inclusion of this amendment. The conference agreement provides that the \$40 a month payment of tuition is to be stricken from the bill and that the system provided in the House approved measure shall apply, with the exception that the rates shall be \$110 a month for a veteran taking a full time course and who has no dependents, \$135 for a veteran with one dependent, and \$160 a month for a veteran with more than one dependent.

For on-the-job training the House bill set the ceiling of allowances and earnings at \$225 for a veteran with no dependents; \$300 if he has more than one dependent. The version as passed by the Senate provides for \$225 if the veteran has no dependent, \$275 if he has one dependent, and \$310 if he has more than one dependent. For reasons of equity the conferees have eliminated the category involving the dependency status of the veteran, and have set the one figure of \$310 per month for a ceiling as the amount a veteran may re-

ceive as allowances and earnings under this bill, regardless of his dependency status. It is believed that this will work more equitably and at the same time reduce administrative costs.

A proviso has been added that the Administrator shall not define a full-time course of apprentice training for a particular establishment other than that established as a standard work week through bona fide collective bargaining agreements. This provision was not in the House bill; however, the managers have agreed to accept it.

The House bill made it mandatory that the Administrator, upon a finding that an institution has charged an eligible veteran an amount in excess of the established charges for nonveterans, disapprove such educational institution for the enrollment of veterans. The Senate version granted this power, but on a discretionary basis. The conference agreement adopts the Senate position.

The House bill provided that in the case of tax-supported public educational institutions which do not have established charges for tuition which it requires nonveteran residents to pay, such institution may charge an eligible veteran an amount equal to the estimated cost of teaching personnel and supplies, but not to exceed \$31 per month. The Senate bill eliminated that provision and the conference agreement restores it, but with a limitation of not to exceed \$10 per month for a full-time course.

Where the State fails to establish a State-approving agency, or where the State asks the Federal Government to act in its behalf, this authority is to be exercised by the Administrator of Veterans' Affairs, as provided in the bill as passed by the Senate. The conferees have adopted this position, although the House version provided for the Commissioner of Education to act in this case.

Related to the above is authority to approve certain courses which the House had lodged in the Commissioner of Education and the Senate in the Administrator of Veterans' Affairs. The conference agreement provides that the authority be centered in the Administrator.

Section 244 provides that the Administrator shall utilize the service of the Office of Education in developing cooperative agreement between State and local agencies relating to the approval of courses of education. This provision was included in the bill as passed by the House and had been eliminated by the Senate. The conference agreement provides for its restoration in its original form.

The Administrator of Veterans' Affairs is directed to form an advisory committee to assist him in the administration of this act. The Commissioner of Education had been made an ex officio member by the House bill and the Secretary of Labor had been added by the Senate bill. The conference agreement provides that the Commissioner of Education and the Director of the Bureau of Apprenticeship shall be ex officio members but not the Secretary of Labor.

In cases where it is found that an officer and employee of the Veterans' Administration or the Office of Education has a conflict of interests between his duties as a Government official and his interest in a school, severe penalties are made applicable. As passed by the House, there was no discretionary authority contained in this application. The Senate added the provision which permitted the waiving of this requirement by the Veterans' Administration where it is shown that the interest of the employee will result in no detriment to the United States or to eligible veterans. This discretionary authority has been retained by the conference agreement.

The Senate bill authorized the Administrator to pay educational institutions which

are required to submit certain reports and certifications an allowance for each full-time eligible veteran or a prorated part thereof for a part-time veteran. No such provision was in the House bill. The conference agreement provides for a payment to the educational institution of \$1.50 per month for each eligible veteran enrolled in and attending such institution, to be made in such manner and at such time as the Administrator may prescribe.

The criminal penalties section has been retained as passed by the House with the exception that the specific forfeiture provision included in the House version has been eliminated. By including the provisions of section 15 of Public Law 2 for application to this act, the same forfeiture provisions now in effect under other programs apply to the veterans violating one of the provisions of the education and training title.

The effective date had been set by the House as September 1, 1952. The Senate changed this date to August 1. The conference agreement provides that it shall be effective as of August 20.

The appropriations of the Veterans' Administration for administration of medical, hospital, and domiciliary benefits and readjustment benefits are made available for expenditure for the provisions of the education title of this act.

TITLE III—LOANS

As passed by both the House and the Senate and as provided in the conference agreement, the loan-guaranty sections of the Servicemen's Readjustment Act of 1944 are made available to the veterans with service on or after June 27, 1950.

The version as passed by the House provided that the seller of a newly constructed dwelling for initial occupancy should give to the veteran purchaser a warranty. The Senate bill eliminated this provision and the conference agreement conformed to the Senate bill.

The House also granted authority for the Administrator to refuse to appraise dwellings or housing projects which were owned, sponsored or constructed by a person identified with housing previously sold to veterans as to which substantial deficiencies had been discovered. The Senate bill eliminated that provision. The conference agreement provides for its restoration.

The House bill added a new section to title III of the Servicemen's Readjustment Act which empowered the Administrator to refuse to guarantee or insure loans where it is found that the lender or holder has failed to maintain a loan accounting record or for other reasons specified in the act. The Senate version eliminated this section and the conference agreement provides for its retention in the form approved by the House.

SOCIAL SECURITY CREDITS

Title IV of the bill as previously passed by the House provided for \$160 a month credit for social-security purposes. This section was stricken by the Senate and the conference agreed to eliminate this title on the assurance that a similar provision in H. R. 7800 will be enacted during the present session of Congress.

UNEMPLOYMENT COMPENSATION

As passed by the House, no unemployment compensation was included in the bill and provision was made in the mustering-out section that mustering-out payments should be in lieu of unemployment compensation or readjustment benefits. The Senate, however, added a section which generally made the veteran eligible for benefits to which he would be entitled under the State laws. The conference agreement in substance provides that the veteran shall be entitled to a maximum benefit of \$26 per week for a maximum period of 26 weeks. This provision will be administered by the Secretary of Labor under existing agreements and contracts with the

States. The benefit cost and the cost of administration would be paid by the Federal Government.

MUSTERING-OUT PAYMENT

Under World War II law each veteran serving less than 60 days was awarded, upon discharge, a mustering-out payment of \$100 for service of less than 60 days with service in this country. The payment was \$200 where the serviceman served more than 60 days. For service of more than 60 days and

service overseas the payment was \$300. The same provisions for identical purposes are made applicable to men serving on or after June 27, 1950, with the section to be administered by the Secretary of the service in which the man served. The amendment added by the Senate providing that the mustering-out allowance should not be paid in addition to a reenlistment bonus was eliminated by the conference agreement inasmuch as the conferees believed that these

payments are for separate purposes and should be treated as such.

An amendment was added in the Senate authorizing the veterans to take courses from the United States Armed Forces Institute within a period of 2 years after their discharge or release. This had been suggested by several veterans now serving in Korea and was eliminated after discussion by the conferees.

For the convenience of Members, a comparison of the text as passed by the House and Senate follows:

Comparison of H. R. 7656 as passed House, Senate, and conference agreement

	H. R. 7656 as passed House	H. R. 7656 as passed Senate	Conference agreement
Title.....	"Veterans' Readjustment Assistance Act of 1952"	Same.....	Same.
EDUCATIONAL AND VOCATIONAL ASSISTANCE PROVISIONS			
Definitions:			
(1) Basic service period.....	Period beginning June 27, 1950, and ending by Presidential proclamation or congressional concurrent resolution.	Same.....	Same.
(2) Eligible veteran.....	Active service during basic service period; discharge or release other than dishonorable; 90 days' active service or disability discharge. ²	Same.....	Same.
(3) Program of education or training.....	Single or plural courses or subjects leading to predetermined objective.	Same.....	Same.
(4) Course.....	Organized unit of subject matter.....	Same.....	Same.
(5) Dependent.....	Child, dependent parent, wife, dependent husband.	Same.....	Same.
(6) Educational institution.....	All categories of schools, colleges, universities, etc.	Same.....	Same.
(7) Training establishment.....	Business or other establishment providing apprentice or other training-on-job.	Same.....	Same.
(8) Armed Forces.....	Army, Navy, Air Force, Marine Corps, and Coast Guard.	Same.....	Same.
(9) State.....	All States, Territories, possessions, and the District of Columbia.	Same.....	Same.
(10) Administrator.....	Administrator of Veterans' Affairs.	Same.....	Same.
(11) Commissioner.....	United States Commissioner of Education.	Same.....	Same.
Time limits.....	Initiation by Sept. 1, 1954, or 2 years after discharge, whichever later; completion 7 years after discharge or end of "emergency." Requires continuous pursuit of program on and after last date for initiation subject to right of suspension for periods not exceeding 12 consecutive months, or longer, if approved by Administrator.	Same, except initiation by Aug. 1, 1954.	Aug. 20, 1954.
Entitlement.....	1½ days for each day of service up to 36 months. Entitlement ending after major part of semester or quarter is extended to termination thereof.	Same.....	Same.
Selection, application, and approval of program.....	Veteran may select program leading toward predetermined objective at institution of choice, except no education furnished in foreign schools other than in the Philippines. Must apply to Administrator who shall approve unless he finds veteran does not meet requirements of bill or is already qualified.	Same.....	Same.
Change of program.....	1 change prior to initiation limit; 1 change after initiation limit if no prior change and subject to approval.	Same.....	Same.
Avocational and recreational courses.....	Certain courses prohibited. Other listed courses and additional ones found to be recreational or avocational by Administrator may be pursued only on submission of justification.	Same.....	Same.
Minimum nonveteran enrollment.....	At least 25 percent required with certain exceptions.	10 percent required.....	15 percent.
Period of operation for approval.....	Course not approvable unless in operation for 2 years or more, subject to certain exceptions.	1 year or more.....	2 years.
Institutions listed by Attorney General under Executive Order 9835.....	Enrollment or payment of allowance for any course in such an institution is barred.	Same.....	Same.
Education and training allowance.....	Administrator would pay veteran a "package" allowance covering his tuition, subsistence, and supplies, except that in certain cases only amount covering tuition and fees to be payable. No payments direct by the Government to institution.	2 checks as indicated below—1 for subsistence and 1 for tuition.	Same as passed by House.
Schedule of rates:			
Full-time instruction.....	\$110, no dependents; \$150, with dependents.....	\$80, no dependents; \$105, 1 dependent; \$130, more than 1 dependent.	\$110; \$135; \$160.
¾-time instruction.....	\$80, no dependents; \$110, with dependents.....	\$60, no dependents; \$80, 1 dependent; \$100, more than 1 dependent.	\$80; \$100; \$120.
½-time instruction.....	\$50, no dependents; \$70, with dependents.....	\$40, no dependents; \$50, 1 dependent; \$70, more than 1 dependent.	\$50; \$60; \$80.
Full-time instruction and supplemental on-job training.....	\$90, no dependents; \$120, with dependents.....	\$75, no dependents; \$95, 1 dependent; \$115, more than 1 dependent.	\$90; \$110; \$130.
Apprenticeship or other on-job training.....	\$70, no dependents; \$95, with dependents.....	\$70, no dependents; \$85, 1 dependent; \$105, more than 1 dependent.	\$70; \$85; \$105.
Institutional on-farm training.....	\$95, no dependents; \$120, with dependents.....	\$70, no dependents; \$85, 1 dependent; \$105, more than 1 dependent. In addition not to exceed \$40 per month is allowed for tuition for full time course; money to be paid to veterans.	\$95; \$110; \$130.
Correspondence courses, flight training, and courses of less than ½-time training.....	Special provisions apply, gearing educational and training allowance to institutional charges only.	Same.....	Same.

See footnotes at end of table.

Comparison of H. R. 7656 as passed House, Senate, and conference agreement—Continued

Title.....	H. R. 7656 as passed House	H. R. 7656 as passed Senate	Conference agreement
	"Veterans' Readjustment Assistance Act of 1952"	Same.....	Same.
EDUCATIONAL AND VOCATIONAL ASSISTANCE PROVISIONS—Continued			
4 months' reduction formula.....	Allowances for apprentice and other on-job training and institutional on-farm training subject to reduction for each 4 months as course progresses in accordance with mathematical formula.	Same.....	Same.
Income ceilings.....	On job allowances subject to reduction when the allowances plus compensation paid to veteran for productive labor performed as part of course exceed \$225 per month if no dependents, \$300, with dependents.	Same, except \$225, no dependents; \$275, 1 dependent; and \$310, more than 1 dependent.	\$310 for all classes.
Full-time courses.....	Below college trade courses with shop practice requires 30 hours per week minimum; below college course in which theoretical or classroom instruction predominates requires a minimum of 25 hours per week; undergraduate college course requires minimum of 14 semester hours or equivalent; other full-time training to be defined by Administrator.	Same.....	Same.
Overcharges by institution.....	Administrator to disapprove institution if institution charges or receives in excess of established charges for nonveterans. Authorizes up to \$31 for full-time courses for certain tax-supported schools not having nonveteran resident fees.	Administrator may disapprove.	Same as Senate.
Approval of courses.....	Approval by State approving agencies and in certain instances by Commissioner of Education.	No provision.	Same as House, but not to exceed \$10 per month.
Use of Federal agencies.....	Administrator may use services of other Federal agencies. Bill directs utilization of service of Office of Education in certain particulars.	Approval by State approving agencies and in certain instances by Veterans' Administration. Same.	Same.
Payment for certain State expenses.	Administrator authorized to contract for payment to State and local agencies for necessary salary and travel expenses in ascertaining qualifications of institution and supervising same and furnishing other requested services.	Same.....	Same.
Standards for approving courses.....	Provides detailed standards for on-the-job, on-farm, and all institutional courses (accreditation procedure employable in lieu of standards for certain established courses).	Same.....	Same.
Disapproval of course and discontinuance of allowance.	State agency to disapprove course which fails to meet requirements. Administrator authorized to discontinue allowance to veteran if he finds that course fails to meet requirements or if institution has violated any provision.	Same.....	Same.
Regulations and review of payments by GAO.	Administrator authorized to issue necessary regulations. Review by GAO provided.	Same.....	Same.
Educational and vocational guidance.	Administrator authorized to provide such service and reimburse veteran for traveling expenses incident thereto where advisement is required by Administrator.	Same.....	Same.
Advisory committee.....	Administrator directed to form advisory committee composed of educators and including Commissioner of Education, ex officio.	Similar, including representatives of education, labor, and management.	Similar to Senate version.
Control by Federal agency prohibited.	Standard provision precluding Federal supervision or control of State agencies and institutions.	Same.....	Same.
Conflicts of interests.....	Employees of VA, Office of Education or State agency having pecuniary interest in profit institutions to be dismissed, courses disapproved by State if conflicting interests develop.	Same, but with discretionary authority for waiving when no conflict found.	Similar to Senate version.
Recovery of overpayments.....	Provides for recovery from institution of overpayment of allowance to veteran resulting from (1) willful or negligent failure of institution to report excessive absence, etc., or (2) false certification by institution.	Same.....	Same.
False or misleading statements.....	Administrator not to make payments to any person who has willfully submitted false or misleading claims.	Same.....	Same.
Payment to schools for services.....	No provision.....	Payment to each school for filing reports on submitting certificates.	\$1.50 payment per month per veteran.
Criminal penalties and forfeitures..	Person who knowingly and willfully makes false statement or commits certain other defined acts to forfeit all rights and benefits under the program and under Public Law 2, 73d Cong., as amended, and upon conviction could be fined up to \$500 or imprisoned up to 6 months, or both. Person violating such provisions who is not affected by forfeiture could be fined up to \$5,000 or imprisoned up to 3 years, or both.	Person violating such provision could be fined up to \$5,000, or imprisoned up to 3 years, or both.	Same as Senate version.
Waiver of overpayments.....	Contains standard provision for waiving recovery of overpayments of training allowance where Administrator finds that the person is not at fault and recovery would defeat purpose of benefits otherwise authorized or would be against equity and good conscience.	Same.....	Same.
Federal Trade Commission.....	Required to keep State agencies advised of information available to FTC which might be of assistance to State agencies in carrying out their duties.	Same.....	Same.
Veterans' Education Appeals Board.	No provisions, as payments to institutions not involved under the bill.	Same.....	Same.
Effective date of educational and training provisions.	Effective on enactment but no education and training allowances payable for period prior to Sept. 1, 1952.	Effective date Aug. 1, 1952.....	Aug. 20, 1952.
Participation in U. S. Armed Forces Institute courses by veterans.	No provision.....	Courses may be initiated within 2 years after discharge or release.	No provision.

Comparison of H. R. 7656 as passed House, Senate, and conference agreement—Continued

	H. R. 7656 ¹ as passed House	H. R. 7656 as passed Senate	Conference agreement
Title.....	"Veterans' Readjustment Assistance Act of 1952"	Same.....	Same.
LOAN ASSISTANCE			
Service group and nature of benefit.....	Extends title III of SRA (guaranty and insurance of home, farm, and business loans, and direct home loans in certain cases) to veterans of service on or after June 27, 1950, and prior to a date to be determined.	Same.....	Same.
Additional amendments to present law.	Makes certain other amendments to title III of SRA, including (1) specific authority to require advance approval of certain loans notwithstanding automatic guaranty provision; (2) requirements that new home construction meet minimum standards for planning and general acceptability as well as construction standards; (3) construction warranty to veteran purchaser for initial occupancy; (4) authority to refuse appraisal of housing handled by persons with poor record as to dealings with veteran purchaser; and (5) authority to exclude from future loan guaranties lenders with record of dealings detrimental to veteran or Government.	No warranty, no provision to refuse appraisal, no authority to exclude from future loans certain lenders.	Warranty eliminated; otherwise as passed House.
SOCIAL-SECURITY UNEMPLOYMENT COMPENSATION, MUSTERING-OUT PAYMENT BENEFITS			
Old-age and survivors insurance.....	Gives \$160 credit for each month spent in the service on or after June 27, 1950, and prior to a date to be determined.	No provision.....	No provision.
Unemployment compensation.....	No provision.....	Gives credit for service in Armed Forces; benefits based on State laws.	Maximum \$26 per week for 26 weeks under State laws.
Mustering-out payments.....	Grants \$100 for veterans serving less than 60 days, \$200 for veterans serving more than 60 days, and \$300 for veterans serving more than 60 days and with service overseas. Includes up to and including the rank of captain in the Army and Air Force and lieutenant, senior grade, in the Navy.	Same.....	Same.
JOB ASSISTANCE			
Employment benefits.....	Grants preference in employment based on service on or after June 27, 1950, and prior to a date to be determined.	Same.....	Same.

¹ The other titles of H. R. 7656 would provide old-age and survivors insurance credits, mustering-out payments, and employment assistance.

² Veteran ineligible for education and training while in active service. Under SRA, veteran reentering service may receive the benefit, not including subsistence.

³ Any period during which assigned to a civilian institution for a course of education or training which is substantially the same as established courses offered to civilians or as a cadet or midshipman is excluded.

Also, for the convenience of the Members, the text as agreed upon follows:

"AN ACT To provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, and for other purposes.

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

"TITLE I—SHORT TITLE AND STATEMENT OF POLICY

"Short title

"SEC. 101. This Act may be cited as the 'Veterans' Readjustment Assistance Act of 1952'.

"Statement of policy

"SEC. 102. The Congress of the United States hereby declares that the veterans' education and training program created by this Act is for the purpose of providing vocational readjustment and restoring lost educational opportunities to those service men and women whose educational or vocational ambitions have been interrupted or impeded by reason of active service in the Armed Forces during a period of national emergency and for the purpose of aiding such persons in attaining the educational and training

status which they might normally have aspired to and obtained had they not served their country; and that the home, farm, and business-loan benefits, the unemployment compensation benefits, the mustering out payments, and the employment assistance provided for by this Act are for the purpose of assisting in the readjustment of such persons from military to civilian life.

"TITLE II—EDUCATIONAL AND VOCATIONAL ASSISTANCE

"Part I—Definitions

"SEC. 201. For the purposes of this title—

"(1) the term 'basic service period' means the period beginning on June 27, 1950, and ending on such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress;

"(2) the term 'eligible veteran' means any person who is not in the active service in the Armed Forces and who—

"(A) has served in the active service in the Armed Forces at any time during the basic service period,

"(B) has been discharged or released from such active service under conditions other than dishonorable, and

"(C) has served in the active service in the Armed Forces for 90 days or more (exclusive of any period he was assigned by the Armed Forces to a civilian institution for a course of education or training which was

substantially the same as established courses offered to civilians, or as a cadet or midshipman at one of the service academies), or has been discharged or released from active service by reason of an actual service-incurred injury or disability;

"(3) the term 'program of education or training' means any single unit course or subject, any curriculum, or any combination of unit courses or subjects, which is generally accepted as necessary to fulfill requirements for the attainment of a predetermined and identified educational, professional, or vocational objective;

"(4) the term 'course' means an organized unit of subject matter in which instruction is offered within a given period of time or which covers a specific amount of related subject matter for which credit toward graduation or certification is usually given;

"(5) the term 'dependent' means—

"(A) a child (as defined in paragraph VI of Veterans Regulation Numbered 10, as amended) of an eligible veteran,

"(B) a parent (as defined in paragraph VII of Veterans Regulation Numbered 10, as amended) of an eligible veteran, if the parent is in fact dependent upon the veteran, and

"(C) the wife of an eligible veteran, or, in the case of an eligible veteran who is a woman, her husband if he is in fact dependent upon the veteran;

"(6) the term 'educational institution' means any public or private elementary school, secondary school, vocational school, correspondence school, business school, junior college, teachers college, college, normal school, professional school, university, scientific or technical institution, or other institution furnishing education for adults;

"(7) the term 'training establishment' means any business or other establishment providing apprentice or other training on the job, including those under the supervision of a college or university or any State department of education, or any State apprenticeship agency, or any State board of vocational education, or any joint apprentice committee, or the Bureau of Apprenticeship established in accordance with Public Law 308, Seventy-fifth Congress, or any agency of the Federal Government authorized to supervise such training;

"(8) the term 'Armed Forces' means the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard of the United States;

"(9) the term 'State' means the several States, the Territories and possessions of the United States, and the District of Columbia;

"(10) the term 'Administrator' means the Administrator of Veterans' Affairs; and

"(11) the term 'Commissioner' means the United States Commissioner of Education.

"Part II—Eligibility

"Entitlement to Education or Training Generally

"SEC. 211. Each eligible veteran shall, subject to the provisions of this title, be entitled to the education or training provided under this title.

"Commencement; Time Limitations

"SEC. 212. (a) No eligible veteran shall be entitled to initiate a program of education or training under this title after August 20, 1954, or after two years after his discharge or release from active service, whichever is later.

"(b) The program of education and training of an eligible veteran under this title shall, on and after the delimiting date for the veteran to initiate his program, be pursued continuously until completion except that an eligible veteran may suspend the pursuit of his program for periods of not more than 12 consecutive months, and may suspend the pursuit of such program for longer periods if the Administrator finds that the suspension for each such period was due to conditions beyond the control of the eligible veteran.

"(c) In the event an eligible veteran returns to active service in the Armed Forces during the basic service period, his date of discharge or release shall, for the purposes of this section and section 213, be the date of his discharge or release from his last period of active service which began during the basic service period.

"Expiration of All Education and Training

"SEC. 213. No education or training shall be afforded an eligible veteran under this title beyond 7 years after either his discharge or release from active service or the end of the basic service period, whichever is earlier.

"Duration of Veteran's Education or Training

"SEC. 214. (a) Each eligible veteran shall be entitled to education or training under this title for a period equal to one and a half times the duration of his active service in the Armed Forces during the basic service period (or to the equivalent thereof in part-time training), except that—

"(1) in computing the duration of his active service in the Armed Forces, there shall be excluded a period equal to any period he was assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians or as a cadet or midshipman at one of the service academies;

"(2) the period of education or training to which an eligible veteran shall be entitled under this title shall not, except as provided in subsection (b), exceed thirty-six months; and

"(3) the period of education or training to which an eligible veteran shall be entitled under this title together with education or training received under part VII (Public Law 16, Seventy-eighth Congress, as amended, and Public Law 894, Eighty-first Congress, as amended), or part VIII of Veterans Regulation Numbered 1 (a), as amended, shall not, except as provided in subsection (b), exceed forty-eight months in the aggregate.

"(b) Whenever the period of entitlement to education or training under this title of an eligible veteran who is enrolled in an educational institution regularly operated on the quarter or semester system ends during a quarter or semester and after a major part of such semester or quarter has expired, such period shall be extended to the termination of such unexpired quarter or semester. In all other courses offered by educational institutions, whenever the period of eligibility ends after a major portion of the course is completed such period may be extended to the end of the course or for nine weeks, whichever is the lesser period.

"(c) In the case of any eligible veteran who is pursuing any program of education or training exclusively by correspondence, one-fourth of the elapsed time in following such program of education or training shall be charged against the veteran's period of entitlement.

"Part III—Enrollment

"Selection of Program

"SEC. 221. Subject to the provisions of this title, each eligible veteran may select a program of education or training to assist him in attaining an educational, professional, or vocational objective at any educational institution or training establishment selected by him, whether or not located in the State in which he resides, which will accept and retain him as a student or trainee in any field or branch of knowledge which such institution or establishment finds him qualified to undertake or pursue. Notwithstanding the foregoing provisions of this section, an eligible veteran may not pursue a program of education or training at an educational institution or training establishment which is not located in a State, unless such program is pursued at an approved educational institution of higher learning. The Administrator in his discretion may deny or discontinue the enrollment under this title of any veteran in a foreign educational institution if he finds that such enrollment is not for the best interest of the veteran or the Government.

"Applications; Approval

"SEC. 222. Any eligible veteran who desires to initiate a program of education or training under this title shall submit an application to the Administrator which shall be in such form, and contain such information, as the Administrator shall prescribe. The Administrator shall approve such application unless he finds that such veteran is not eligible for or entitled to the education or training applied for or that his program of education or training fails to meet any of the requirements of this title, or that the eligible veteran is already qualified by reason of previous education or training for the educational, professional, or vocational objective for which the courses of the program of education or training are offered. The Administrator shall notify the eligible veteran of the approval or disapproval of his application.

"Change of Program

"SEC. 223. (a) Subject to the provisions of section 222, each eligible veteran (except an eligible veteran whose program has been in-

terrupted or discontinued due to his own misconduct, his own neglect, or his own lack of application) may, at any time prior to the end of the period during which he is entitled to initiate a program of education or training under this title, make not more than one change of program of education or training.

"(b) Each eligible veteran, who has not made a change of program of education or training before the expiration of the period during which he is entitled to initiate a program of education or training under this title, may make not more than one change of program of education or training with the approval of the Administrator. The Administrator shall approve such a change if he finds that—

"(1) the eligible veteran is not making satisfactory progress in his present program and that the failure is not due to his own misconduct, his own neglect, or his own lack of application, and if the program to which the eligible veteran desires to change is more in keeping with his aptitude or previous education and training; or

"(2) the program to which the eligible veteran desires to change, while not a part of the program currently pursued by him, is a normal progression from such program.

"Avocational and Recreational Courses

"SEC. 224. (a) The Administrator shall not approve the enrollment of an eligible veteran in any bartending course, dancing course, or personality development course.

"(b) The Administrator shall not approve the enrollment of an eligible veteran—

"(1) in any photography course or entertainment course; or

"(2) in any music course—instrumental or vocal—public-speaking course, or course in sports or athletics, such as horseback riding, swimming, fishing, skiing, golf, baseball, tennis, bowling, sports officiating, or other sport or athletic course, except courses of applied music, physical education, or public speaking which are offered by institutions of higher learning for credit as an integral part of a program leading to an educational objective; or

(3) in any other type of course which the Administrator finds to be avocational or recreational in character;

unless the eligible veteran submits justification showing that the course will be of bona fide use in the pursuit of his present or contemplated business or occupation.

"Discontinuance for Unsatisfactory Progress

"SEC. 225. The Administrator shall discontinue the education and training allowance of an eligible veteran if, at any time, he finds that, according to the regularly prescribed standards and practices of the educational institution or training establishment, the conduct or progress of such veteran is unsatisfactory.

"Minimum Number of Nonveteran Students Required

"SEC. 226. The Administrator shall not approve the enrollment of any eligible veteran, not already enrolled, in any nonaccredited course below the college level offered by a proprietary profit or proprietary nonprofit educational institution for any period during which the Administrator finds that more than eighty-five per centum of the students enrolled in the course are having all or any part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration under part VII or part VIII of Veterans Regulation Numbered 1 (a) or this title.

"Period of Operation for Approval

"SEC. 227. (a) The Administrator shall not approve the enrollment of an eligible veteran in any course offered by an educational institution when such course has been in operation for less than two years.

"(b) Subsection (a) shall not apply to—

"(1) any course to be pursued in a public or other tax-supported educational institution;

"(2) any course which is offered by an educational institution which has been in operation for more than two years, if such course is similar in character to the instruction previously given by such institution; or

"(3) any course which has been offered by an institution for a period of more than 2 years, notwithstanding the institution has moved to another location within the same general locality.

"Institutions Listed by Attorney General

"SEC. 228. The Administrator shall not approve the enrollment of, or payment of an education and training allowance to, any eligible veteran in any course in an educational institution or training establishment while it is listed by the Attorney General under section 3 of part III of Executive Order 9835, as amended.

"Part IV—Payments to veterans

"Education and Training Allowance

"SEC. 231. (a) The Administrator shall pay to each eligible veteran who is pursuing a program of education or training under this title, and who applies therefor, an education and training allowance to meet in part the expenses of his subsistence, tuition, fees, supplies, books, and equipment.

"(b) The education and training allowance for an eligible veteran shall be paid, as provided in section 232, only for the period of the veteran's enrollment as approved by the Administrator, but no allowance shall be paid—

"(1) to any veteran enrolled in a course approved under section 253 or a course of institutional on-farm training for any period when the veteran is not pursuing his course in accordance with the regularly established policies and regulations of the institution and the requirements of this title;

"(2) to any veteran enrolled in a course approved under section 254 or in a course of apprentice or other training on the job for any day of absence in excess of thirty days in a twelve-month period, not counting as absences weekends or legal holidays established by Federal or State law during which the institution or establishment is not regularly in session or operation, or

"(3) to any veteran pursuing his program of education exclusively by correspondence for any period during which no lessons were serviced by the institution.

"(c) No education and training allowance shall be paid to an eligible veteran for any period until the Administrator shall have received—

"(1) from the eligible veteran (A) in the case of an eligible veteran enrolled in a course approved under section 253 or a course of institutional on-farm training, a certification that he was actually enrolled in and pursuing the course as approved by the Administrator, or (B) in the case of an eligible veteran enrolled in a course approved under section 254 or a course of apprentice or other training on the job, a certification as to actual attendance during such period, or (C) in the case of an eligible veteran enrolled in a program of education or training by correspondence, a certification as to the number of lessons actually completed by the veteran and serviced by the institution, and

"(2) from the educational institution or training establishment, a certification, or an endorsement on the veteran's certificate, that such veteran was enrolled in and pursuing a course of education or training during such period, and, in the case of an institution furnishing education or training to a veteran exclusively by correspondence, a certification, or an endorsement on the veteran's certificate, as to the number of

lessons completed by the veteran and serviced by the institution.

Education and training allowances shall, insofar as practicable, be paid within 20 days after receipt by the Administrator of the certifications required by this subsection.

"Computation of Education and Training Allowances

"SEC. 232. (a) The education and training allowance of an eligible veteran who is pursuing a program of education or training in an educational institution and is not entitled to receive an education and training allowance under subsection (b), (c), (d), (e), or (f) shall be computed as follows:

"(1) If such program is pursued on a full-time basis, such allowance shall be computed at the rate of \$110 per month, if the veterans has no dependent, or at the rate of \$135 per month, if he has one dependent, or at the rate of \$160 per month, if he has more than one dependent.

"(2) If such program is pursued on a three-quarters time basis, such allowance shall be computed at the rate of \$80 per month, if the veteran has no dependent, or at the rate of \$100 per month, if he has one dependent, or at the rate of \$120 per month, if he has more than one dependent.

"(3) If such program is pursued on a half-time basis, such allowance shall be computed at the rate of \$50 per month, if the veteran has no dependent, or at the rate of \$60 per month, if he has one dependent, or at the rate of \$80 per month, if he has more than one dependent.

"(b) The education and training allowance of an eligible veteran who is pursuing a full-time program of education and training which consists of institutional courses and on-the-job training, with the on-the-job training portion of the program being strictly supplemental to the institutional portion, shall be computed at the rate of (1) \$90 per month, if he has no dependent, or (2) \$110 per month, if he has one dependent, or (3) \$130 per month, if he has more than one dependent.

"(c) The education and training allowance of an eligible veteran pursuing apprentice or other training on the job shall be computed at the rate of (1) \$70 per month, if he has no dependent, or (2) \$85 per month, if he has one dependent, or (3) \$105 per month, if he has more than one dependent; except that his education and training allowance shall be reduced at the end of each four-month period as his program progresses by an amount which bears the same ratio to the basic education and training allowance as four months bears to the total duration of his apprentice or other training on the job; but in no case shall the Administrator pay an education and training allowance under this subsection in an amount which, when added to the compensation to be paid to the veteran, in accordance with his approved training program, for productive labor performed as a part of his course, would exceed the rate of \$310 per month. For the purpose of computing allowances under this subsection, the duration of the training of an eligible veteran shall be the period specified in the approved application as the period during which he may receive an education and training allowance for such training, plus such additional period, if any, as is necessary to make the number of months of such training a multiple of four.

"(d) The education and training allowance of an eligible veteran pursuing institutional on-farm training shall be computed at the rate of (1) \$95 per month, if he has no dependent, or (2) \$110 per month, if he has one dependent, or (3) \$130 per month, if he has more than one dependent; except that his education and training allowance shall be reduced at the end of each 4-month period as his program progresses by an amount which bears the same ratio

to \$65 per month, if the veteran has no dependent, or \$80 per month, if he has one dependent, or \$100 per month, if he has more than one dependent, as 4 months bears to the total duration of such veteran's institutional on-farm training. For the purpose of computing allowances under this subsection, the duration of the training of an eligible veteran shall be the period specified in the approved application as the period during which he may receive an education and training allowance for such training, plus such additional period, if any, as is necessary to make the number of such months of such training a multiple of four.

"(e) The education and training allowance of an eligible veteran pursuing a program of education or training exclusively by correspondence shall be computed on the basis of the established charge which the institution requires nonveterans to pay for the course or courses pursued by the eligible veteran. Such allowance shall be paid quarterly on a pro rata basis for the lessons completed by the veteran and serviced by the institution, as certified by the institution.

"(f) The education and training allowance of an eligible veteran who is pursuing a program of education or training under this title in an educational institution on a less-than-half-time basis shall be computed at the rate of (1) the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same course to pay, or (2) \$110 per month for a full-time course, whichever is the lesser.

"(g) Each eligible veteran who is pursuing an approved course of flight training shall be paid an education and training allowance to be computed at the rate of 75 per centum of the established charge which similarly circumstanced nonveterans enrolled in the same flight course are required to pay for tuition for the course. If such veteran's program of education or training consists exclusively of flight training, he shall not be paid an education and training allowance under one of the preceding subsections of this section; if his program of education or training consists of flight training and other education or training, the allowance payable under this subsection shall be in addition to any education and training allowance payable to him under one of the preceding subsections of this section for education or training other than flight training. Such allowance shall be paid monthly upon receipt of certification from the eligible veteran and the institution as to the actual flight training received by the veteran. In each such case the eligible veteran's period of entitlement shall be charged (in addition to any charge made against his entitlement by reason of education or training other than flight training) with one day for each \$1.25 which is paid to the veteran as an education and training allowance for such course.

"(h) No eligible veteran shall be paid an education and training allowance under this title for any period during which (1) he is enrolled in and pursuing a course of education or training paid for by the United States under any provision of law other than this title, where the payment of such allowance would constitute a duplication of benefits paid to the veteran from the Federal Treasury, or (2) he is pursuing a course of apprentice or other training on the job, a course of institutional on-farm training, or a course of education and training described in subsection (b), on a less than full-time basis.

"Full-time Courses

"SEC. 233. (a) For the purposes of this title, (1) an institutional trade or technical course offered on a clock-hour basis below the college level involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of thirty

hours per week of attendance is required with not more than two and one-half hours of rest periods per week allowed, (2) an institutional course offered on a clock-hour basis below the college level in which theoretical or classroom instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction is required, and (3) an institutional undergraduate course offered by a college or university on a quarter or semester-hour basis for which credit is granted toward a standard college degree shall be considered a full-time course when a minimum of fourteen semester hours or its equivalent is required.

"(b) The Administrator shall define full-time training in the case of all types of courses of education or training other than institutional on-farm training and the types of courses referred to in subsection (a): *Provided*, That the Administrator shall not define full-time apprentice training for a particular establishment other than that established as the standard work-week through bona-fide collective bargaining between employers and employees.

"Overcharges by Educational Institutions

"SEC. 234. The Administrator may, if he finds that an institution has charged or received from any eligible veteran any amount in excess of the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same course to pay, disapprove such educational institution for the enrollment of any veteran not already enrolled therein, except that, in the case of a tax supported public educational institution which does not have established charges for tuition and fees which it requires nonveteran residents to pay, such institution may charge and receive from each eligible veteran who is a resident an amount equal to the estimated cost of teaching personnel and supplies for instruction attributable to such veteran, but in no event to exceed the rate of \$10 per month for a full time course.

"Part V—State approving agencies

"Designation

"SEC. 241. (a) Unless otherwise established by the law of the State concerned, the chief executive of each State is requested to create or designate a State department or agency as the 'State approving agency' for his State for the purposes of this title.

"(b) (1) In the event any State fails or declines to create or designate a State approving agency, the provisions of this title which refer to the State approving agency shall, with respect to such State, be deemed to refer to the Administrator.

"(2) In the case of courses subject to approval by the Administrator under section 242, the provisions of this title which refer to a State approving agency shall be deemed to refer to the Administrator.

"Approval of Courses

"SEC. 242. (a) An eligible veteran shall receive the benefits of this title while enrolled in a course of education or training offered by an educational institution or training establishment only if such course is approved by the State approving agency for the State where such educational institution or training establishment is situated or by the Administrator. Approval of courses by State approving agencies shall be in accordance with the provisions of this title and such other regulations and policies as the State approving agency may adopt. Each State approving agency shall furnish the Administrator with a current list of educational institutions and training establishments, specifying courses which it has approved, and, in addition to such list, it shall furnish such other information to the Administrator as it and the Administrator may determine

to be necessary to carry out the purposes of this title. Each State approving agency shall notify the Administrator of the disapproval of any course previously approved and shall set forth the reasons for such disapproval.

"(b) The Administrator shall be responsible for the approval of courses of education or training offered by any agency of the Federal Government authorized under other laws to supervise such education or training. The Administrator may approve any course in any other educational institution or training establishment in accordance with the provisions of this title.

"Cooperation

"SEC. 243. (a) The Administrator and each State approving agency shall take cognizance of the fact that definite duties, functions, and responsibilities are conferred upon the Administrator and each State approving agency under the veterans' educational programs. To assure that such programs are effectively and efficiently administered, the cooperation of the Administrator and the State approving agencies is essential. It is necessary to establish an exchange of information pertaining to activities of educational institutions and training establishments, and particular attention should be given to the enforcement of approval standards, enforcement of wage and income limitations, enforcement of enrollment restrictions, and fraudulent and other criminal activities on the part of persons connected with educational institutions and training establishments in which veterans are enrolled under this title.

"(b) The Administrator will furnish the State approving agencies with copies of such Veterans' Administration informational material as may aid them in carrying out this title.

"Use of Agencies

"SEC. 244. (a) In carrying out his functions under this title, the Administrator may utilize the facilities and services of any other Federal department or agency. The Administrator shall utilize the services of the Office of Education in developing cooperative agreements between the Administrator and State and local agencies relating to the approval of courses of education or training as provided for in section 245, in reviewing the plan of operations of State approving agencies under such agreements, and in rendering technical assistance to such State and local agencies in developing and improving policies, standards, and legislation in connection with their duties under this title.

"(b) Any such utilization shall be pursuant to proper agreement with the Federal department or agency concerned; and payment to cover the cost thereof shall (except in the case of the Office of Education) be made either in advance or by way of reimbursement, as may be provided in such agreement. Funds necessary to enable the Office of Education to carry out its functions under this title are authorized to be appropriated directly to such Office.

"Reimbursement of Expenses

"SEC. 245. The Administrator is authorized to enter into contracts or agreements with State and local agencies to pay such State and local agencies for reasonable and necessary expenses of salary and travel incurred by employees of such agencies in (1) rendering necessary services in ascertaining the qualifications of educational institutions and training establishments for furnishing courses of education or training to eligible veterans under this title, and in the supervision of such educational institutions and training establishments, and (2) furnishing, at the request of the Administrator, any other services in connection with this title. Each such contract or agreement shall be

conditioned upon compliance with the standards and provisions of this title.

"Part VI—Approval of courses of education and training

"Apprentice or Other Training on the Job

"SEC. 251. (a) Apprentice or other training on the job shall consist of courses offered by training establishments whenever such courses of training are furnished in accordance with the provisions of this section. Any training establishment desiring to furnish a course of apprentice or other training on the job shall submit to the appropriate State approving agency a written application setting forth the course of training for each job for which an eligible veteran is to be trained. The written application covering the course of training shall include the following:

"(1) Title and description of the specific job objective for which the eligible veteran is to be trained;

"(2) The length of the training period;

"(3) A schedule listing various operations for major kinds of work or tasks to be learned and showing for each, job operations or work, tasks to be performed, and the approximate length of time to be spent on each operation or task;

"(4) The wage or salary to be paid at the beginning of the course of training, at each successive step in the course, and at the completion of training;

"(5) The entrance wage or salary paid by the establishment to employees already trained in the kind of work for which the veteran is to be trained; and

"(6) The number of hours of supplemental related instruction required.

"(b) The appropriate State approving agency may approve a course of apprentice or other training on the job specified in an application submitted by a training establishment in accordance with subsection (a) if such training establishment is found upon investigation to have met the following criteria:

"(1) The training content of the course is adequate to qualify the eligible veteran for appointment to the job for which he is to be trained.

"(2) There is reasonable certainty that the job for which the eligible veteran is to be trained will be available to him at the end of the training period.

"(3) The job is one in which progression and appointment to the next higher classification are based upon skills learned through organized training on the job and not on such factors as length of service and normal turn-over.

"(4) The wages to be paid the eligible veteran for each successive period of training are not less than those customarily paid in the training establishment and in the community to a learner in the same job who is not a veteran.

"(5) The job customarily requires a period of training of not less than 3 months and not more than 2 years of full-time training, except that this provision shall not apply to apprentice training.

"(6) The length of the training period is no longer than that customarily required by the training establishment and other training establishments in the community to provide an eligible veteran with the required skills, arrange for the acquiring of job knowledge, technical information, and other facts which the eligible veteran will need to learn in order to become competent on the job for which he is being trained.

"(7) Provision is made for related instruction for the individual eligible veteran who may need it.

"(8) There is in the training establishment adequate space, equipment, instructional material, and instructor personnel to provide satisfactory training on the job.

"(9) Adequate records are kept to show the progress made by each eligible veteran toward his job objective.

"(10) Appropriate credit is given the eligible veteran for previous training and job experience, whether in the military service or elsewhere, his beginning wage adjusted to the level to which such credit advances him and his training period shortened accordingly and provision is made for certification by the training establishment that such credit has been granted and the beginning wage adjusted accordingly. No course of training will be considered bona fide if given to an eligible veteran who is already qualified by training and experience for the job objective.

"(11) A signed copy of the training agreement for each eligible veteran, including the training program and wage scale as approved by the State approving agency, is provided to the veteran and to the Administrator and the State approving agency by the employer.

"(12) Upon completion of the course of training furnished by the training establishment the eligible veteran is given a certificate by the employer indicating the length and type of training provided and that the eligible veteran has completed the course of training on the job satisfactorily.

"(13) That the course meets such other criteria as may be established by the State approving agency.

"Institutional On-Farm Training

"SEC. 252. (a) An eligible veteran shall be entitled to the benefits of this title while enrolled in a course of full-time institutional on-farm training which has been approved by the appropriate State approving agency in accordance with the provisions of this section.

"(b) The State approving agency may approve a course of institutional on-farm training when it satisfies the following requirements:

"(1) The course combines organized group instruction in agricultural and related subjects of at least two hundred hours per year (and of at least eight hours each month) at an educational institution, with supervised work experience on a farm or other agricultural establishment.

"(2) The eligible veteran will perform a part of such course on a farm or other agricultural establishment under his control.

"(3) The course is developed with due consideration to the size and character of the farm or other agricultural establishment on which the eligible veteran will receive his supervised work experience and to the need of such eligible veteran, in the type of farming for which he is training, for proficiency in planning, producing, marketing, farm mechanics, conservation of resources, food conservation, farm financing, farming management, and the keeping of farm and home accounts.

"(4) The eligible veteran will receive not less than one hundred hours of individual instruction per year, not less than fifty hours of which shall be on such farm or other agricultural establishment (with at least two visits by the instructor to such farm each month). Such individual instruction shall be given by the instructor responsible for the veteran's institutional instruction and shall include instruction and home-study assignments in the preparation of budgets, inventories, and statements showing the production, use on the farm, and sale of crops, livestock, and livestock products.

"(5) The eligible veteran will be assured of control of such farm or other agricultural establishment (whether by ownership, lease, management agreement, or other tenure arrangement) until the completion of his course.

"(6) Such farm or other agricultural establishment shall be of a size and character

which (A) will, together with the group-inspection part of the course, occupy the full time of the eligible veteran, (B) will permit instruction in all aspects of the management of the farm or other agricultural establishment of the type for which the eligible veteran is being trained, and will provide the eligible veteran an opportunity to apply to the operation of his farm or other agricultural establishment the major portion of the farm practices taught in the group instruction part of the course, and (C) will assure him a satisfactory income for a reasonable living under normal conditions at least by the end of his course.

"(7) Provision shall be made for certification by the institution and the veteran that the training offered does not repeat or duplicate training previously received by the veteran.

"(8) The institutional on-farm training meets such other fair and reasonable standards as may be established by the State approving agency.

"Approval of Accredited Courses

"SEC. 253. (a) A State approving agency may approve the courses offered by an educational institution when—

"(1) such courses have been accredited and approved by a nationally recognized accrediting agency or association;

"(2) credit for such course is approved by the State department of education for credit toward a high school diploma;

"(3) such courses are conducted under the Act of February 23, 1917, as amended (39 Stat. 927), or the Vocational Education Act of 1946; or

"(4) such courses are accepted by the State department of education for credit for a teacher's certificate or a teacher's degree.

For the purposes of this title the Commissioner shall publish a list of nationally recognized accrediting agencies and associations which he determines to be reliable authority as to the quality of training offered by an educational institution and the State approving agencies may, upon concurrence, utilize the accreditation of such accrediting associations or agencies for approval of the courses specifically accredited and approved by such accrediting association or agency. In making application for approval, the institution shall transmit to the State approving agency copies of its catalog or bulletin.

"(b) As a condition to approval under this section, the State approving agency must find that adequate records are kept by the educational institution to show the progress of each eligible veteran. The State approving agency must also find that the educational institution maintains a written record of the previous education and training of the veteran and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the veteran and the Administrator so notified.

"Approval of Nonaccredited Courses

"SEC. 254. (a) No course of education or training (other than a course of institutional on-farm training) which has not been approved by a State approving agency pursuant to section 253, which is offered by a public or private, profit or nonprofit, educational institution shall be approved for the purposes of this title unless the educational institution offering such course submits to the appropriate State approving agency a written application for approval of such course in accordance with the provisions of this title.

"(b) Such application shall be accompanied by not less than two copies of the current catalog or bulletin which is certified as true and correct in content and policy by an authorized owner or official and includes the following:

"(1) Identifying data, such as volume number and date of publication;

"(2) Names of the institution and its governing body, officials and faculty;

"(3) A calendar of the institution showing legal holidays, beginning and ending date of each quarter, term, or semester, and other important dates;

"(4) Institution policy and regulations on enrollment with respect to enrollment dates and specific entrance requirements for each course;

"(5) Institution policy and regulations relative to leave, absences, class cuts, make-up work, tardiness and interruptions for unsatisfactory attendance;

"(6) Institution policy and regulations relative to standards of progress required of the student by the institution (this policy will define the grading system of the institution, the minimum grades considered satisfactory, conditions for interruption for unsatisfactory grades or progress and a description of the probationary period, if any, allowed by the institution, and conditions of reentrance for those students dismissed for unsatisfactory progress. A statement will be made regarding progress records kept by the institution and furnished the student);

"(7) Institution policy and regulations relating to student conduct and conditions for dismissal for unsatisfactory conduct;

"(8) Detailed schedule of fees, charges for tuition, books, supplies, tools, student activities, laboratory fees, service charges, rentals, deposits, and all other charges;

"(9) Policy and regulations of the institution relative to the refund of the unused portion of tuition, fees, and other charges in the event the student does not enter the course or withdraws or is discontinued therefrom;

"(10) A description of the available space, facilities, and equipment;

"(11) A course outline for each course for which approval is requested, showing subjects or units in the course, type of work or skill to be learned, and approximate time and clock hours to be spent on each subject or unit; and

"(12) Policy and regulations of the institution relative to granting credit for previous educational training.

"(c) The appropriate State approving agency may approve the application of such institution when the institution and its non-accredited courses are found upon investigation to have met the following criteria:

"(1) The courses, curriculum, and instruction are consistent in quality, content, and length with similar courses in public schools and other private schools in the State, with recognized accepted standards.

"(2) There is in the institution adequate space, equipment, instructional materials, and instructor personnel to provide training of good quality.

"(3) Educational and experience qualifications of directors, administrators, and instructors are adequate.

"(4) The institution maintains a written record of the previous education and training of the veteran and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the veteran and the Administrator so notified.

"(5) A copy of the course outline, schedule of tuition, fees, and other charges, regulations pertaining to absences, grading policy, and rules of operation and conduct will be furnished the veteran upon enrollment.

"(6) Upon completion of training, the veteran is given a certificate by the institution indicating the approved course and indicating that training was satisfactorily completed.

"(7) Adequate records as prescribed by the State approving agency are kept to show attendance and progress or grades, and satis-

factory standards relating to attendance, progress, and conduct are enforced.

"(8) The institution complies with all local, city, county, municipal, State, and Federal regulations, such as fire codes, building and sanitation codes. The State approving agency may require such evidence of compliance as is deemed necessary.

"(9) The institution is financially sound and capable of fulfilling its commitments for training.

"(10) The institution does not utilize advertising of any type which is erroneous or misleading, either by actual statement, omission, or intimation. The institution shall not be deemed to have met this requirement until the State approving agency (1) has ascertained from the Federal Trade Commission whether the Commission has issued an order to the institution to cease and desist from any act or practice, and (2) has, if such an order has been issued, given due weight to that fact.

"(11) The institution does not exceed its enrollment limitations as established by the State approving agency.

"(12) The institution's administrators, directors, owners, and instructors are of good reputation and character.

"(13) The institution has and maintains a policy for the refund of the unused portion of tuition, fees, and other charges in the event the veteran fails to enter the course or withdraws or is discontinued therefrom at any time prior to completion and such policy must provide that the amount charged to the veteran for tuition, fees, and other charges for a portion of the course shall not exceed the approximate pro rata portion of the total charges for tuition, fees, and other charges that the length of the completed portion of the course bears to its total length.

"(14) Such additional criteria as may be deemed necessary by the State approving agency.

Notice of Approval of Courses

"SEC. 255. The State approving agency, upon determining that an educational institution has complied with all the requirements of this title, will issue a letter to such institution setting forth the courses which have been approved for the purposes of this title, and will furnish an official copy of such letter and any subsequent amendments to the Administrator. The letter of approval shall be accompanied by a copy of the catalog or bulletin of the institution, as approved by the State approving agency, and shall contain the following information:

"(1) date of letter and effective date of approval of courses;

"(2) proper address and name of each educational institution or training establishment;

"(3) authority for approval and conditions of approval, referring specifically to the approved catalog or bulletin published by the educational institution;

"(4) name of each course approved;

"(5) where applicable, enrollment limitations such as maximum numbers authorized and student-teacher ratio;

"(6) signature of responsible official of State approving agency; and

"(7) such other fair and reasonable provisions as are considered necessary by the appropriate State approving agency.

Disapproval of Courses and Discontinuance of Allowances

"SEC. 256. (a) Any course approved for the purposes of this title which fails to meet any of the requirements of this title shall be immediately disapproved by the appropriate State approving agency. An educational institution or training establishment which has its courses disapproved by a State approving agency will be notified of such disapproval by a registered letter of notification and a return receipt secured.

"(b) The Administrator may discontinue the education and training allowance of any eligible veteran if he finds that the course of education or training in which such veteran is enrolled fails to meet any of the requirements of this title or if he finds that the educational institution or training establishment offering such courses has violated any provision of this title or fails to meet any of its requirements.

"(c) Each State approving agency shall notify the Administrator of each course which it has disapproved under this section. The Administrator shall notify the State approving agency of his disapproval of any educational institution or training establishment under part VII of Veterans Regulation Numbered 1 (a), as amended.

Part VII—Miscellaneous provisions

Authority and Duties of Administrator

"SEC. 261. (a) The Administrator is authorized to prescribe, promulgate, and publish such rules and regulations as are consistent with the provisions of this title and necessary to carry out its purposes. Notwithstanding the provisions of section 11 of the Act of October 17, 1940, as amended (54 Stat. 1193), payments under this title shall be subject to audit and review by the General Accounting Office as provided by the Budget and Accounting Act of 1921, as amended, and the Budget and Accounting Procedures Act of 1950.

"(b) The Administrator is authorized to accept uncompensated services and to enter into contracts or agreements with private or public agencies, or persons, for necessary services, incident to the administration of this title, including personal services, as he may deem practicable.

"(c) The Administrator may arrange for educational and vocational guidance to persons eligible for education and training under this title and, if the Administrator requires such educational and vocational guidance, he is authorized, in his discretion, to defray, or reimburse the veteran for his traveling expenses to and from the place of advisement. At such intervals as he deems necessary, he shall make available information respecting the need for general education and for trained personnel in the various crafts, trades, and professions: *Provided*, That facilities of other Federal agencies collecting such information shall be utilized to the extent he deems practicable.

Advisory Committee

"SEC. 262. The Administrator shall form an advisory committee which shall be composed of persons who are eminent in their respective fields of education, labor, and management, and of representatives of the various types of institutions and establishments furnishing education and training to veterans enrolled under this title. The Commissioner and the Director, Bureau of Apprenticeship, Department of Labor, shall be ex officio members of the advisory committee. The Administrator shall advise and consult with the committee from time to time with respect to the administration of this title and the committee may make such reports and recommendations as it deems desirable to the Administrator and to the Congress.

Control by Agencies of United States

"SEC. 263. No department, agency, or officer of the United States, in carrying out this title, shall exercise any supervision or control, whatsoever, over any State approving agency, State educational agency, or State apprenticeship agency, or any educational institution or training establishment: *Provided*, That nothing in this section shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or control which such department, agency, or officer is authorized, by existing provisions of law, to exercise over

any Federal educational institution or training establishment, or to prevent the furnishing of education or training under this title in any institution or establishment over which supervision or control is exercised by such other department, agency, or officer under authority of existing provisions of law.

Conflicting Interests

"SEC. 264. (a) Every officer or employee of the Veterans' Administration or of the Office of Education, who has, while such an officer or employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or services from, any educational institution operated for profit in which an eligible veteran was pursuing a course of education or training under this title shall be immediately dismissed from his office or employment.

"(b) If the Administrator finds that any person who is an officer or employee of a State approving agency has, while he was such an officer or employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or services from, an educational institution operated for profit in which an eligible veteran was pursuing a course of education or training under this title, he shall discontinue making payments under section 245 to such State approving agency unless such agency shall, without delay, take such steps as may be necessary to terminate the employment of such person and such payments shall not be resumed while such person is an officer or employee of the State approving agency, or State Department of Veterans Affairs or State Department of Education.

"(c) A State approving agency shall not approve any course offered by an educational institution operated for profit and, if any such course has been approved, shall disapprove each such course, if it finds that any officer or employee of the Veterans' Administration, the Office of Education, or the State approving agency owns an interest in, or receives any wages, salary, dividends, profits, gratuities, or services from, such institution.

"(d) The Administrator may, after reasonable notice and public hearings, waive in writing the application of this section in the case of any officer or employee of the Veterans' Administration, of the Office of Education, or of a State approving agency, if he finds that no detriment will result to the United States or to eligible veterans by reason of such interest or connection of such officer or employee.

Report by Institutions

"SEC. 265. (a) Educational institutions and training establishments shall, without delay, report to the Administrator in the form prescribed by him, the enrollment, interruption, and termination of the education or training of each eligible veteran enrolled therein under this title.

"(b) The Administrator shall pay to each educational institution which is required to submit reports and certifications to the Administrator under this title, an allowance at the rate of \$1.50 per month for each eligible veteran enrolled in and attending such institution under the provisions of this title to assist the educational institution in defraying the expense of preparing and submitting such report and certifications. Such allowances shall be paid in such manner and at such times as may be prescribed by the Administrator, except that in the event any institution fails to submit reports or certifications to the Administrator as required by this title, no allowance shall be paid to such institution for the month or months during which such reports or certifications were not submitted as required by the Administrator.

Overpayments to Veterans

"SEC. 266. In any case where it is found by the Administrator that an overpayment has

been made to a veteran as the result of (1) the willful or negligent failure of the educational institution or training establishment to report, as required by this title and applicable regulations, to the Veterans' Administration excessive absences from a course, or discontinuance or interruption of a course by the veteran or (2) false certification by the educational institution or training establishment, the amount of such overpayment shall constitute a liability of such institution or establishment, and may be recovered in the same manner as any other debt due the United States: *Provided*, That any amount so collected shall be reimbursed if the overpayment is recovered from the veteran. This provision shall not preclude the imposition of any civil or criminal action under this or any other statute.

"Examination of Records

"SEC. 267. The records and accounts of educational institutions and training establishments pertaining to eligible veterans who received education or training under this title shall be available for examination by duly authorized representatives of the Government.

"False or Misleading Statements

"SEC. 268. The Administrator shall not make any payments under this title to any person found by him to have willfully submitted any false or misleading claims. In each case where the Administrator finds that an educational institution or training establishment has willfully submitted a false or misleading claim, or where a veteran, with the complicity of an educational institution or training establishment, has submitted such a claim, he shall make a complete report of the facts of the case to the appropriate State approving agency and where deemed advisable to the Attorney General of the United States for appropriate action.

"Criminal Penalties

"SEC. 269. Whoever knowingly and willfully—

"(1) makes or presents any false, fictitious, or fraudulent affidavit, declaration, certificate, voucher, endorsement, or paper or writing purporting to be such, concerning any claim for payment under this title, or pertaining to any matter arising under this title,

"(2) makes or presents any paper required under this title on which paper a date other than the date upon which it was actually signed or acknowledged by the claimant has been willfully inserted,

"(3) certifies falsely that the declarant, affiant, or witness named in such affidavit, declaration, voucher, endorsement, or other paper or writing personally appeared before him and was sworn thereto, or acknowledged the execution thereof, or

"(4) accepts and converts to his own use payments for any period during which he was not actually pursuing a course of education or training under this title for which period payment was made,

shall be fined not more than \$5,000 or imprisoned not more than three years, or both.

"Application of Other Laws

"SEC. 270. The provisions of Public Law Numbered 262, Seventy-fourth Congress, approved August 12, 1935 (49 Stat. 607), as amended, the provisions of section 15 of Public Law Numbered 2, Seventy-third Congress, as amended, the provisions of section 12 of Public Law Numbered 144, Seventy-eighth Congress, approved July 13, 1943 (57 Stat. 557, as amended, and the provisions of titles II and III of Public Law Numbered 844, Seventy-fourth Congress, approved June 29, 1936, as amended, shall be for application under this title.

"Waiver of Recovery of Overpayments

"SEC. 271. There shall be no recovery of payments of education and training allow-

ance made under this title from any person who, in the judgment of the Administrator, is without fault on his part and where, in the judgment of the Administrator, such recovery would defeat the purpose of benefits otherwise authorized or would be against equity and good conscience. No disbursing officer or certifying officer shall be held liable for any amount paid to any person where the recovery of such amount is waived under this section.

"Information Furnished by Federal Trade Commission

"SEC. 272. The Federal Trade Commission shall keep all State approving agencies advised of any information coming to its attention which would be of assistance to such agencies in carrying out their duties under this title.

"Effective Date

"SEC. 273. This title shall take effect on the date of its enactment, except that no education and training allowance shall be paid for any period prior to August 20, 1952.

"Appropriations

"SEC. 274. The appropriations for the Veterans' Administration under the headings 'Administration, medical, hospital and domiciliary services' and 'Readjustment benefits' are hereby made available for expenditures necessary to carry out the provisions of this title, and there is hereby authorized to be appropriated such additional amounts as may be necessary to accomplish the purposes of this title.

"TITLE III—LOANS

"Persons eligible for loans

"SEC. 301. Subsection (a) of section 500 of the Servicemen's Readjustment Act of 1944, as amended, is amended—

"(1) by inserting after 'war' in the first sentence the following: ', or at any time on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress';

"(2) by inserting after the first sentence the following: 'Entitlement derived from service on or after June 27, 1950, shall (1) cancel any unused entitlement derived from service prior to June 27, 1950, and (2) be reduced by the amount entitlement from such prior service shall have been used to obtain a direct, guaranteed, or insured loan (a) on real property which the veteran owns at the time of application or (b) as to which the Administrator shall have incurred actual liability or loss, unless in the event of loss or the incurrence and payment of such liability by the Administrator, the resultant indebtedness of the veteran to the Government shall have been paid in full'; and

"(3) by inserting after 'war' in the fourth sentence of such subsection, as amended by this section, the following: ', and any loan to a veteran eligible by virtue of active service on or after June 27, 1950, if made within ten years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress,'.

"Power of Administrator to examine loans

"SEC. 302. Section 500 of the Servicemen's Readjustment Act of 1944, as amended, is amended by adding at the end thereof the following new subsection:

"(f) Notwithstanding the provisions in this title respecting automatically guaranteed loans, the Administrator may at any time upon thirty days' notice require loans to be made by any lender or class of lenders to be submitted for prior approval, and no guaranty or insurance liability shall exist in respect to such loans unless evidence of guaranty or insurance is issued by the Administrator.

"Additional requirement for guaranteed loans

"SEC. 303. Section 501 (a) (2) of the Servicemen's Readjustment Act of 1944, as amended, is amended by inserting after 'expenses' the following: ', and the veteran is a satisfactory credit risk'.

"Standards of planning and construction

"SEC. 304. Section 504 of the Servicemen's Readjustment Act of 1944, as amended, is amended by striking out subsection (b) and inserting in lieu thereof the following:

"(b) No loan for the purchase or construction of residential property on which construction is begun subsequent to sixty days from the date the Veterans' Readjustment Assistance Act of 1952 becomes effective shall be financed through the assistance of the provisions of this title unless the property meets or exceeds minimum requirements for planning, construction, and general acceptability prescribed by the Administrator: *Provided*, That subsection 504 (b) as originally enacted shall continue to be applicable to construction begun prior to the end of such sixty-day period: *Provided further*, That this subsection shall not apply to a loan for the purchase of residential property the construction of which was completed more than one year prior to the making of such loan.

"(c) The Administrator shall have the right to refuse to appraise any dwelling or housing project owned, sponsored, or to be constructed by any person identified with housing previously sold to veterans under this title as to which substantial deficiencies have been discovered, or as to which there has been a failure or indicated inability to discharge contractual liabilities to veterans, or as to which it is ascertained that the type of contract of sale or the methods or practices pursued in relation to the marketing of such properties were unfair or unduly prejudicial to veteran purchasers.'

"Eligibility for loans to refinance existing liability

"SEC. 305. Section 507 (1) of the Servicemen's Readjustment Act of 1944, as amended, is amended by inserting before the semicolon at the end thereof the following: 'or, in the case of a veteran eligible by virtue of active service on or after June 27, 1950, not later than 10 years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress.'

"Expiration of authority to make direct loans

"SEC. 306. Section 512 (b) of the Servicemen's Readjustment Act of 1944, as amended, is amended by striking out '(D)' and inserting in lieu thereof '(C)' and by inserting before the period at the end thereof the following: ', except that if a commitment to make such a loan was issued by the Administrator prior to that date the loan may be completed subsequent to such date.'

"Refusal to guarantee or insure loans in certain cases

"SEC. 307. Title III of the Servicemen's Readjustment Act of 1944, as amended, is amended by adding at the end thereof the following new section:

"SEC. 514. Whenever the Administrator finds with respect to loans guaranteed or insured under this title that any lender or holder has failed to maintain adequate loan accounting records, or to demonstrate proper ability to service loans adequately or to exercise proper credit judgment or has willfully or negligently engaged in practices otherwise detrimental to the interest of veterans or of the Government, he may refuse either temporarily or permanently to guarantee or insure any loans made by such lender or holder or bar such lender or holder from acquiring loans guaranteed or insured under this title: *Provided*, That the Administrator shall not refuse to pay a guaran-

tee on loans therefore entered into in good faith between the veteran and the lending institution."

"TITLE IV—UNEMPLOYMENT COMPENSATION FOR VETERANS OF SERVICE ON OR AFTER JUNE 27, 1950

"Compensation for veterans under State agreements

"SEC. 401 (a). The Secretary is authorized on behalf of the United States to enter into an agreement with any State, or with the agency administering the unemployment compensation law of such State, under which such State agency (1) will make, as agent of the United States, payments of compensation to veterans, in accordance with the provisions of this title, and (2) will otherwise cooperate with the Secretary, and with other State agencies, in making payments of compensation under this title.

"(b) Any such agreement shall, except as provided in section 408, provide that compensation at the rate of \$26 per week will be paid by the State to any veteran in such State with respect to weeks of unemployment (not in excess of a total of 26 weeks) which occur after the ninetieth day after the date of enactment of this Act: *Provided, however*, That if a veteran is eligible to receive mustering-out payment under section 502 of this Act, he shall not be eligible to receive compensation under this title with respect to weeks of unemployment completed within thirty days after his discharge or ninety days after the date of the enactment of this Act, whichever date is the later, if he receives \$100 in such mustering-out payment; within sixty days after his discharge or ninety days after the date of the enactment of this Act, whichever date is the later, if he receives \$200 in such mustering-out payment; or within ninety days after his discharge or ninety days after the date of the enactment of this Act, whichever date is the later, if he receives \$300 in such mustering-out payment.

"(c) Any such agreement shall provide that any determination by a State agency with respect to entitlement to compensation pursuant to an agreement under this section shall be made in accordance with the State unemployment compensation law, insofar as such law is applicable, and shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in such manner and to such extent.

"(d) Each agreement shall provide the terms and conditions upon which it may be amended or terminated.

"Compensation for veterans in absence of State agreements

"SEC. 402. (a) In the case of a veteran who is in a State which has no agreement under this title with the Secretary, the Secretary, in accordance with regulations prescribed by him, shall, upon the filing by such veteran of a claim for compensation under this subsection, make payments of compensation to him in the same amounts and for the same periods as provided in section 401 (b). Any determination by the Secretary with respect to entitlement to compensation under this subsection shall be made in accordance with the State unemployment compensation law of the State in which the veteran is insofar as such law is applicable.

"(b) In the case of a veteran who is in Puerto Rico or in the Virgin Islands, the Secretary, in accordance with regulations prescribed by him, shall, upon the filing by such veteran of a claim for compensation under this subsection, make payments of compensation to him in the same amounts and for the same periods as provided in section 401 (b). Any determination by the Secretary with respect to entitlement to compensation under this subsection shall be

made in accordance with the unemployment compensation law of the District of Columbia, insofar as such law is applicable.

"(c) Any veteran whose claim for compensation under subsection (a) or (b) of this section has been denied shall be entitled to a fair hearing in accordance with regulations prescribed by the Secretary. Any final determinations by the Secretary with respect to entitlement to compensation under this section shall be subject to review by the courts in the same manner and to the same extent as is provided in section 205 (g) of title II of the Social Security Act, as amended, with respect to final decisions of the Administrator under such title.

"(d) The Secretary may utilize for the purposes of this section the personnel and facilities of the agencies in Puerto Rico and the Virgin Islands cooperating with the United States Employment Service under the Act of June 6, 1933 (48 Stat. 113), as amended. For the purpose of payments made to such agencies under such Act, the furnishing of such personnel and facilities shall be deemed to be a part of the administration of the public employment offices of such agencies.

"Payments to States

"SEC. 403. (a) Each State shall be entitled to be paid by the United States an amount equal to the payments of compensation made by such State under and in accordance with an agreement under this title.

"(b) In making payments pursuant to subsection (a) of this section there shall be paid to the State, either in advance or by way of reimbursement, as may be determined by the Secretary, such sum as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any sum by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made upon the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency.

"(c) The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State sums payable to such State under this section. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payment to the State in accordance with such certification, from the funds for carrying out the purposes of this title.

"(d) All money paid to a State under this title shall be used solely for the purposes for which it is paid; and any money so paid which is not used for such purposes shall be returned, at the time specified in the agreement under this title, to the Treasury and credited to current applicable appropriations, funds, or accounts from which payments to States under this title may be made.

"(e) An agreement under this title may require any officer or employee of the State certifying payments or disbursing funds pursuant to the agreement, or otherwise participating in its performance, to give a surety bond to the United States in such amount as the Secretary may deem necessary, and may provide for the payment of the cost of such bond from funds for carrying out the purposes of this title.

"(f) No person designated by the Secretary, or designated pursuant to an agreement under this title, as a certifying officer, shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to the payment of any compensation certified by him under this title.

"(g) No disbursing officer shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment by him under this title

if it was based upon a voucher signed by a certifying officer designated as provided in subsection (f) of this section.

"(h) For the purpose of payments made to a State under title III of the Social Security Act, administration by the State agency of such State pursuant to an agreement under this title shall be deemed to be a part of the administration of the State unemployment compensation law.

"(i) Until such time as funds are appropriated to carry out the provisions of this title, any funds available to the Department of Labor for "Grants to States for unemployment compensation and employment service administration are hereby made available for expenditures necessary to carry out the provisions of this title: *Provided*, That any such expenditures made or obligations incurred shall be adjusted and charged to any applicable appropriation, fund, or authorization whenever a law is enacted which contains such applicable appropriation, fund, or authorization.

"Information

"SEC. 404. (a) All Federal departments and agencies are directed to make available to State agencies which have agreements under this title or to the Secretary, as the case may be, such information with respect to military service of any veteran as the Secretary may find practicable and necessary for the determination of such veteran's entitlement to compensation under this title.

"(b) The agency administering the unemployment compensation law of any State shall furnish to the Secretary such information as the Secretary may find necessary or appropriate in carrying out the provisions of this title, and such information shall be deemed reports required by the Secretary for the purposes of paragraph (6) of subsection (a) of section 303 of the Social Security Act, as amended.

"Penalties

"SEC. 405. (a) Whoever makes a false statement or representation of a material fact knowing it to be false, or knowingly fails to disclose a material fact, to obtain or increase for himself or for any other individual any payment authorized to be paid under this title or under an agreement thereunder shall be fined not more than \$1,000 or imprisoned for not more than one year, or both.

"(b) Any person who makes, or causes to be made by another, a false statement or representation of a material fact knowing it to be false or knowingly fails, or causes another to fail, to disclose a material fact, and, as a result thereof has received any amount as compensation under this title to which he was not entitled, shall be liable to repay such amount to the State agency or the Secretary, as the case may be, for the fund from which the amount was paid or, in the discretion of the State agency or the Secretary, as the case may be, to have such amount deducted from any future compensation payable to him under this title within the two-year period following the finding, if the existence of such nondisclosure or misrepresentation has been found by a court of competent jurisdiction or in connection with a reconsideration or appeal.

"Regulations

"SEC. 406. The Secretary is hereby authorized to make such rules and regulations as may be necessary to carry out the provisions of this title. The Secretary shall insofar as practicable consult with representatives of the State unemployment compensation agencies before prescribing any rules or regulations which may affect the performance by such agencies of functions pursuant to agreements under this title.

"Definitions

"SEC. 407. When used in this title—

"(a) The term 'veteran' means any person who has served in the active service in the

Armed Forces at any time on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, and who has been discharged or released from such active service under conditions other than dishonorable after continuous service of ninety days or more, or by reason of an actual service-incurred injury or disability.

"(b) The term 'compensation' means the money payments to individuals with respect to their unemployment.

"(c) The term 'Secretary' means the Secretary of Labor.

"(d) The term 'State' includes Hawaii, Alaska, Puerto Rico, the Virgin Islands, and the District of Columbia.

"(e) The term 'Armed Forces' means the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard of the United States.

"Nonduplication of benefits"

"SEC. 408. (a) Notwithstanding any other provision of this title, no payment shall be made under any agreement under this title, or, in the absence of such an agreement, by the Secretary under this title, to a veteran for—

"(1) any week or any part of a week he is eligible (or would be eligible except for the provisions of this title or except for any action taken by such veteran under this title) to receive unemployment benefits at a rate equal to or in excess of \$26 per week under any Federal or State unemployment compensation law,

"(2) any period with respect to which he receives an education and training allowance under subsection (a), (b), (c), or (d) of section 232 of this Act or a subsistence allowance under part VII or part VIII of Veterans Regulation Numbered 1 (a), as amended, or

"(3) any period he receives additional compensation necessary for his maintenance under section 6 (b) (2) of the Federal Employees Compensation Act, as amended.

"(b) In any case in which, for any week or any part of a week, a veteran is eligible for payment of compensation under this title and is also eligible (or would be eligible except for the provisions of this title or except for any action taken by such veteran under this title) to receive for such week or such part of a week unemployment benefits at a rate less than \$26 per week under any Federal or State unemployment compensation law, such veteran may elect to receive payment of compensation under this title; but if the veteran so elects, the amount of compensation payable under this title shall be reduced by the amount of such compensation benefits for which such veteran is eligible (or would be eligible except for the provisions of this title or except for any action taken by such veteran under this title) under such Federal or State unemployment compensation law.

"(c) If the veteran elects under subsection (b) to receive payment of compensation under this title, he shall be entitled to additional compensation at the rate of \$26 per week after the exhaustion of State unemployment benefits until the total compensation received under this title equals \$676.

"(d) Under no circumstances shall any veteran receive compensation under this title from more than one State at one time or in a total amount in excess of \$676.

"Termination"

"SEC. 409. No compensation shall be paid under this title for any week commencing more than five years after the date determined by Presidential proclamation or concurrent resolution of the Congress prescribed in section 407 (a).

"TITLE V—MUSTERING-OUT PAYMENTS"

"Eligibility for payments"

"SEC. 501. (a) Except as provided in subsection (b) of this section, each member of

the Armed Forces who shall have been engaged in active service on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, and who is discharged or relieved from active service under honorable conditions, shall be eligible to receive mustering-out payment.

"(b) No mustering-out payment shall be made to—

"(1) any member of the Armed Forces who, at the time of discharge or relief from active service, is in a pay grade higher than O-3;

"(2) any member of the Armed Forces who, at the time of discharge or release from active service, is entitled to severance pay or is transferred or returned to the retired list with retired pay, retirement pay, retainer pay, or equivalent pay, or to a status in which he receives such pay: *Provided*, That this paragraph shall not apply upon retirement or separation pursuant to title IV of the Career Compensation Act of 1949;

"(3) any member of the Armed Forces for any active service performed prior to the date of his discharge or relief from active service on his own initiative to accept employment or, in the case of any member so relieved from active service, for any active service performed prior to the date of his discharge while in such inactive status, unless he has served outside the continental limits of the United States or in Alaska;

"(4) any member of the Armed Forces whose total period of service has been as a student assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians;

"(5) any member of the Armed Forces for any active service performed prior to the date of his discharge from such forces for the purpose of entering the United States Military Academy, the United States Naval Academy, or the United States Coast Guard Academy;

"(6) any member of the Armed Forces whose sole service has been as a cadet at the United States Military Academy or the United States Coast Guard Academy, or as a midshipman at the United States Naval Academy, or in a preparatory school after nomination as a principal, alternate, or candidate for admission to any of said Academies;

"(7) any commissioned officer unless he is discharged or relieved from active service within 3 years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress; and

"(8) any member of the Armed Forces who is ordered to active service for the sole purpose of training duty or a physical examination, or for a period of less than sixty days.

"(c) A member of the Armed Forces who is eligible to receive mustering-out payments under this title and under the Mustering-Out Payment Act of 1944 for the same period of active service shall elect to receive such payment either under this title or such Act, but shall not be entitled to payment under both provisions of law.

"Determination of payments"

"SEC. 502. (a) Mustering-out payment for persons eligible under section 501 shall be in sums as follows:

"(1) \$300 for persons who, having performed active service for sixty days or more, have served outside the continental limits of the United States or in Alaska.

"(2) \$200 for persons who, having performed active service for sixty days or more, have served no part thereof outside the continental limits of the United States or in Alaska.

"(3) \$100 for persons who have performed active service for less than sixty days.

"(b) Each person eligible to receive mustering-out payment under subsection (a) (1) shall receive one-third of the stipulated amount at the time of final discharge or

ultimate relief from active service, or at the option of the person so eligible, at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces; and the remaining amount of such payment shall be paid in two equal installments—one month and two months, respectively, from the date of the original payment. Each person eligible to receive mustering-out payment under subsection (a) (2) shall receive one-half of the stipulated amount at the time of final discharge or ultimate relief from active service or, at the option of the person so eligible, at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces; and the remaining amount of such payment shall be paid one month from the date of the original payment. Each person eligible to receive mustering-out payment under subsection (a) (3) shall receive the stipulated amount at the time of such discharge or relief from active service or, at the option of the person so eligible, at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces. A person entitled to receive the first installment of the mustering-out payment at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces shall, at his election, receive the whole of such payment in one lump sum, rather than in installments.

"Time limitations"

"SEC. 503. Any member of the Armed Forces entitled to mustering-out payment who shall have been discharged or relieved from active service under honorable conditions before the effective date of this title shall, if application therefor is made within two years after the date of enactment of this title, be paid such mustering-out payment by the Department of the Army, Navy, or Air Force, or the Treasury Department, as the case may be, beginning within one month after application has been received and approved by such department. No member of the Armed Forces shall receive mustering-out payment under this title more than once, and such payment shall accrue and the amount thereof shall be computed as of the time of discharge for the purposes of effecting a permanent separation from the service or of ultimate relief from active service or, at the option of such member, for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces.

"Deceased members"

"SEC. 504. If any member of the Armed Forces, after his discharge or relief from active service, shall die before receiving any portion of or the full amount of his mustering-out payment, the balance of the amount due him shall be payable, on appropriate application therefor, to his surviving spouse, if any; and if he shall leave no surviving spouse, then in equal shares to his child or children, if any; and if he shall leave no surviving spouse or child or children, then in equal shares to his surviving parents, if any. No payments under this title shall be made to any other person.

"Administration of title"

"SEC. 505. (a) Mustering-out payments due or to become due under this title shall not be assignable and any payments made to or on account of a veteran hereunder shall be exempt from taxation, shall be exempt from the claims of creditors, including any claim of the United States, and shall not be subject to attachment, levy, or seizure by or under any legal or equitable process whatever either before or after receipt by the payee.

"(b) The Secretaries of the Army, Navy, Air Force, and Treasury shall make such regulations not inconsistent with this title as

President, shall enter into an agreement with such State or Territory within 120 days of the request of an agreement from the proper official of any such governmental unit, to provide that the head of each department or agency of the United States shall comply with the requirements of such statute or provision of the law with respect to the employees, with certain exceptions, of such department or agency subject to such tax.

The authorization for withholding contained in the bill as reported is limited so as not to apply with respect to the taxes of any State or Territory which requires withholding only with respect to nonresidents.

Secondly, the bill, as reported, will apply only to those Federal employees whose regular place of Federal employment is within the particular State or Territory with which the agreement is entered into. Thus, to be withheld upon pursuant to the authorization contained in the bill, the Federal employee concerned must not only be employed within the taxing State or Territory but must not be there only temporarily while absent from his regular post of duty outside of that State or Territory. H. R. 5157, as reported, does not authorize withholding with respect to compensation for service as a member of the Armed Forces of the United States. Your committee believes that to extend the authorization contained in the bill into this area would create serious administrative problems in view of the fact that service in the Armed Forces may frequently be of a temporary nature or may be transient in character.

The bill further provides that nothing in the act shall be deemed to consent to the application to the United States of any provision of any statute which has the effect of imposing more burdensome requirements upon the United States than it imposes upon other employers, or which has the effect of subjecting the United States or any of its officers or employees to any penalty or liability.

Every practicable step should be taken to cooperate in the area of withholding with the State and Territorial governments in view of their cooperation with the Federal Government in fiscal matters generally, and particularly in withholding the Federal income tax from their employees.

The purpose of this bill is similar with that of S. 1999 which has already passed the other body. H. R. 5157 is favored by the Treasury Department.

(Mr. PROUTY (at the request of Mr. REED of New York) was given permission to extend his remarks at this point in the RECORD).

Mr. PROUTY. Mr. Speaker, the last Vermont Legislature added a provision to the State's income tax laws requiring that all employers in the State withhold sums from the compensation of employees to facilitate the collection of income taxes.

Following the enactment of Vermont's withholding tax law, the Governor requested the United States General Accounting Office to instruct all Federal agencies in the State to cooperate to the

fullest extent with State officials in making that law a success.

However, the Comptroller General of the United States expressed the opinion that Federal agencies could not enter into any agreement or understanding whereby the Vermont income tax could be held as a matter of courtesy or cooperation between the Governments, for the sovereign immunity of the United States cannot be waived administratively but only by an act of Congress.

Consequently, it appeared that legislation was required in order for the Federal Government to withhold State taxes from the salaries of its employees, and so in order to preclude any constitutional limitations with respect to the collection of such taxes I introduced H. R. 5157.

The National Tax Association has recognized for a long time the need for legislation of a similar nature. The association at its forty-fourth annual conference adopted a resolution requesting the Congress of the United States to enact such legislation as may be necessary to permit the several departments and agencies of the Federal Government to withhold from the compensation of their employees income tax imposed by a State or Territory of the United States or any subdivision thereof to the extent that such withholding is generally required by employers within the jurisdiction of the State, Territory, or political subdivision.

On August 13, 1951, the Treasury Department Information Service issued a press release relative to this matter and I quote in part from this as follows:

It is the policy of the Federal Government to cooperate with the States in the administration of their tax laws to the fullest extent practicable. To further this objective, legislation is required authorizing Federal agencies to withhold State income taxes. The appropriate form of such legislation is now under consideration with a view to a request for early congressional action. Federal withholding of State income taxes in those instances in which the States employ this method of collection will constitute a logical development in Federal-State fiscal cooperation. State and local governments are cooperating generously in the administration of Federal taxes and the Treasury strongly supports Federal cooperation with the States in this matter.

Again in its report of January 21, 1952, to the Ways and Means Committee the Treasury Department expressed its accord with the general principles of the proposed legislation, and urged its adoption, stating that—

It strongly supports Federal cooperation with States which utilize employer withholding of taxes in the administration of their income tax as a logical development in Federal-State fiscal cooperation.

In addition, the Bureau of the Budget in reviewing H. R. 5157 offered no objections and gave its assurance that the bill was in accord with the program of the President.

The successful operation of any government, local, State, or national, depends to a large degree upon its powers to tax, but these powers are little more than illusory if there is not concomitantly present the ability to collect the taxes levied, and it is my feeling that it would be the better part of wisdom to

abrogate the present legal restrictions which hinder the collection of State taxes.

The enactment of H. R. 5157 would accord to the States the same cooperation in tax collections which the Federal Government demands from them under Twenty-sixth United States Code, pages 1622-1624, and therefore increase the revenue of State governments, lessening their dependence on the Federal Government and strengthening our system of duality of sovereignty.

Anticipated administrative problems under the provisions of H. R. 5157 as originally drafted led to a serious study of the proposed legislation by Mr. Colin F. Stam, Chief of Staff of the Joint Committee on Internal Revenue Taxation, and Treasury official with a view toward the elimination of any possible problems of an administrative nature.

As a result of this study, Mr. Stam and his associates recommended certain changes in the bill and these were approved and adopted by the committee and are perfectly agreeable to me. Mr. Stam has assured me that neither he nor the Treasury Department have any objections whatsoever to the enactment of H. R. 5157 as reported by the committee.

In its present form the bill is not applicable to political subdivisions of States or Territories; neither does it apply to personnel of the armed services or to Federal employees temporarily residing in States requiring employers to withhold sums from the compensation of employees for income tax purposes. Moreover, the provisions of the bill will be without force in States which collect withholding taxes from nonresidents only. In brief then, H. R. 5157 merely provides for the collection of State withholding taxes by Federal agencies from employees who actually live and work in States which utilize employer withholding of taxes.

Vermont officials are convinced that no court would rule that a State must collect Federal withholding taxes from its employees, and it is my understanding that Treasury officials concur in this opinion. Vermont is perfectly willing to cooperate on a voluntary basis in the collection of Federal withholding taxes from State employees, but it also feels that in return, the Federal Government should render similar assistance to the State.

The passage of this bill is of great interest and importance to the State of Vermont. It was reported only after long and serious study by the Ways and Means Committee, and it has the approval of both the Treasury Department and the Bureau of the Budget. I hope the House will regard this proposed legislation favorably.

AUTHORIZING THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS TO INVESTIGATE AND STUDY THE SEAWARD BOUNDARIES OF THE UNITED STATES

Mr. SMITH of Virginia. Mr. Speaker, by direction of the Committee on Rules, and on behalf of the gentleman from New York [Mr. DELANEY], I call up

may be necessary effectively to carry out the provisions thereof, and their decisions shall be final and not subject to review by any court or other Government official.

"(c) The Secretaries of the Army, Navy, Air Force, and Treasury, or such subordinate officers as they may designate, are authorized to make direct payment to survivors over 17 years of age, and to select a proper person or persons to whom mustering-out payments may be made for the use and benefit of former active members of the Armed Forces, or survivors thereof, as defined by section 504 hereof, without the necessity of appointment by judicial proceedings of a legal representative of any such former member or such survivors when, in the opinion of the respective Secretaries or their designees, the interests of persons under 17 years of age so justify, or where the former active member or his survivors is suffering from a mental disability sufficient to make direct payment not in the best interests of such person or persons. Payments made under the provisions of this subsection shall constitute a complete discharge of the obligation of the United States as provided in this title; and the selection of a proper person or persons, as provided herein, and the correctness of the amount due and paid to such person or persons shall have the same finality as that accorded decisions made pursuant to subsection (b). The provisions of this subsection shall not apply where a legal guardian or committee has been judicially appointed, except as to any payments made hereunder prior to the receipt of notice of appointment.

"Definitions

"SEC. 506. As used in this title—

"(a) The term 'spouse' means a lawful wife or husband.

"(b) The term 'child' includes (1) a legitimate child; (2) a child legally adopted; and (3) a stepchild, if, at the time of death of the member of the Armed Forces, such stepchild was a member of the deceased's household.

"(c) The term 'parent' includes father and mother, stepfather and stepmother, and father and mother through adoption.

"(d) The term 'Armed Forces' means the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard of the United States.

"TITLE VI—MISCELLANEOUS

"Job counseling and employment placement

"SEC. 601. Section 607 of title IV, Servicemen's Readjustment Act of 1944, as amended (38 U. S. C. 695f), is hereby amended to read as follows:

"SEC. 607. The term "veteran" as used in this title shall mean a person who served in the active service of the Armed Forces during a period of war in which the United States has been, or is, engaged, or during the period on or after June 27, 1950, and prior to such date as may be thereafter determined by Presidential proclamation or concurrent resolution of the Congress, and who has been discharged or released therefrom under conditions other than dishonorable."

"Authorization of appropriations

"SEC. 603. There are hereby authorized to be appropriated such sums as may be necessary to carry out this Act."

J. E. RANKIN,
OLIN E. TEAGUE,
WALTER ROGERS,
EDITH NOURSE ROGERS,
ALVIN E. O'KONSKI,

Managers on the Part of the House.

AMENDMENT TO SECTION 2879 (b) OF THE INTERNAL REVENUE CODE

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent for the immedi-

ate consideration of the bill (H. R. 7651) to amend section 2879 (b) of the Internal Revenue Code.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. VELDE. Mr. Speaker, I object.

WITHHOLDING SUMS FROM COMPENSATION OF EMPLOYEES

Mr. REED of New York. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1999) authorizing and directing the Secretary of the Treasury to enter into an agreement with any State, Territory, or possession of the United States, or any political subdivision thereof, to provide that the head of each department or agency of the United States shall comply with the requirements of any statute of such State, Territory, possession, or subdivision, which imposes upon employers generally the duty of withholding sums from the compensation of employees.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. MCCORMACK. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. REED of New York. Mr. Speaker, this would enable the Federal Government to collect withholding taxes from the officials of States. It applies particularly to the State of Vermont but the Government may enter into an agreement with other States if they wish to do the same thing.

Mr. MCCORMACK. The gentleman has spoken to me about this.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That since the internal revenue laws of the United States impose upon States, Territories, possessions of the United States, and political subdivisions thereof the duty of withholding sums from the compensation of employees, the Congress hereby declares it to be in the public interest to promote harmonious relations and reciprocity by consenting, under certain conditions, to the application to the United States of any statute of any State, Territory, possession, or any political subdivision thereof which imposes upon employers generally the duty of withholding sums from the compensation of employees.

SEC. 2. Where any statute or provision of law of any State, Territory, or possession of the United States, or any political subdivision thereof, provides for the collection of a tax by imposing upon employers generally the duty of withholding sums from the compensation of employees and making returns of such sums to the authorities of such State, Territory, or possession, or any political subdivision thereof, the Secretary of the Treasury, pursuant to regulations promulgated by the President, is authorized and directed to enter into an agreement with such State, Territory, possession, or subdivision within 120 days of the request for agreement from the proper official of such State, Territory, possession, or subdivision to provide that the head of each department or agency of the United States shall comply with the requirements of such statute or provision of law in the case of employees of such agency or department who are subject to such tax.

SEC. 3. Nothing in this act shall be deemed to consent to the application to the United States of any provision of any statute which has the effect of imposing more burdensome requirements upon the United States than it imposes upon other employers, or which has the effect of subjecting the United States or any of its officers or employees to any penalty or liability.

Mr. REED of New York. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REED of New York: Strike out all after the enacting clause and insert: "That since the internal revenue laws of the United States impose upon States, Territories, possessions of the United States, and political subdivisions thereof, the duty of withholding sums from the compensation of employees, the Congress hereby declares it to be in the public interest to promote harmonious relations and reciprocity by consenting, under certain conditions, to the application to the United States of any statute of any State, Territory, possession, or any political subdivision thereof which imposes upon employers generally the duty of withholding sums from the compensation of employees."

SEC. 2. Where any statute or provision of law of any State, Territory, or possession of the United States, or any political subdivision thereof, provides for the collection of a tax by imposing upon employers generally the duty of withholding sums from the compensation of employees and making returns of such sums to the authorities of such State, Territory, or possession, or any political subdivision thereof, the Secretary of the Treasury, pursuant to regulations promulgated by the President, is authorized and directed to enter into an agreement with such State, Territory, possession, or subdivision within 120 days of the request for agreement from the proper official of such State, Territory, possession, or subdivision, to provide that the head of each department or agency of the United States shall comply with the requirements of such statute or provision of law in the case of employees of such agency or department who are subject to such tax.

SEC. 3. Nothing in this act shall be deemed to consent to the application to the United States of any provision of any statute which has the effect of imposing more burdensome requirements upon the United States than it imposes upon other employers, or which has the effect of subjecting the United States or any of its officers or employees to any penalty or liability."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

(Mr. REED of New York asked and was given permission to extend his remarks at this point in the Record.)

Mr. REED of New York. Mr. Speaker, at the present time Federal agencies lack any authority to cooperate with the States by withholding State income taxes from salaries of their employees. The basic purpose of H. R. 5157 is therefore to make it possible for Federal agencies to withhold State income taxes. As reported with amendments H. R. 5157 provides, under certain conditions, that where any statute or provision of law of any State or Territory provides for the collection of a tax upon employers the duty of withholding sums from the compensation of employees and making returns thereof to the proper authorities, the Secretary of the Treasury, pursuant to regulations promulgated by the

SENATE - July 4, 1952

76. PRICE SUPPORTS. Passed with amendment H. R. 8122, to continue the existing dual parity formula for basic commodities through 1955, after substituting therefor the text of S. 2115, a similar bill, which had first been amended (by a McFarland-Chavez amendment) to provide price support for long staple cotton. S. 2115 does not contain the provision, which was in H. R. 8122 as passed by the House, to require 90%-of-parity supports on basic commodities. Conferees were appointed in both Houses. (pp. 9398-408, 9410-2, 9541, 9487.)
77. TOBACCO ALLOTMENTS. Passed without amendment H. R. 8170, to decrease the minimum farm acreage allotments for burley tobacco (pp. 9533-4). This bill will now be sent to the President.
78. SUBMARGINAL LAND. Passed with amendment H. R. 7317, authorizing conveyance of a tract of SCS submarginal land to Hope, N. Mex. The bill had been reported by the Agriculture and Forestry Committee without amendment (S. Rept. 2097). Agreed to a Morse amendment which changes the purchase price of the land from \$1,950 (the original price paid by USDA) to "the appraised fair-market value of the property". (pp. 9522, 9529, 9537-9.)
79. RECLAMATION. Reconsidered its action of July 3 in passing without amendment H. R. 6163, authorizing irrigation works in connection with Chief Joseph Dam, and repassed this bill with an amendment in the nature of a substitute comprising the text of S. 2320, a similar bill (pp. 9412-3).
80. VETERANS' BENEFITS. Both Houses agreed to the conference report on H. R. 7656, the GI Bill of Rights for veterans of the Korean conflict (pp. 9453-63, 9523). This bill will now be sent to the President.
81. WATER POLLUTION. Passed without amendment H. R. 6856, extending for 3 years the Water Pollution Control Act (p. 9528). This bill will now be sent to the President.
82. PERSONNEL. The Post Office and Civil Service Committee submitted reports relating to supervisory selection (S. Rept. 2100, incentive awards program (S. Rept. 2101), and the reduction-in-force system (S. Rept. 2102) in the Federal Government (p. 9582).
83. ELECTRIFICATION. Sen. O'Mahoney obtained permission to have printed as a S. Doc. a report on rural electrification in Wyo. (p. 9582).
Sen. O'Mahoney spoke in favor of adopting the conference report on H. R. 7176, the Interior appropriation bill for 1953, and stated that the passage of this measure, which contains a \$1,000,000 continuing fund for the Southwestern Power Administration, will be a "milestone in the progress of rural electrification throughout...the southwestern area" (pp. 9542-3).
84. WITHHOLDING TAX. Agreed to the House amendment to S. 1999, authorizing and directing the Secretary of the Treasury to enter into agreements with States, Territories, possessions, or political subdivisions thereof, requiring Federal agencies to comply with non-federal statutes imposing upon employers the duty of withholding State and other income taxes (pp. 9397-8). This bill will now be sent to the President.
85. PATENTS. Passed as reported H. R. 7794, to revise and codify the patent laws (p. 9534).

86. BANKING AND CURRENCY. Sen. Malone spoke in favor of returning to the gold standard (pp. 9547-77).
87. NOMINATION of Raymond Ross Paty, to be a member of the TVA Board, was confirmed (p. 9419).
88. FARM LOANS; PRICE SUPPORTS. Sen. Moody inserted his report on various aspects of farm policy wherein he favored price supports but recommended that a system of "mutual price insurance" should be thoroughly explored as "one alternative," and that the expansion of FHA activities "could do a lot toward putting many low-income farmers on their feet" (pp. 9408-10).
89. FOREIGN AID; EXPENDITURES. Sen. Ken inserted a table showing per-capita cost of foreign aid in Mo. and spoke against high taxation and foreign expenditures (pp. 9413-5).
90. SUGAR. Ratified two protocols prolonging the international sugar agreement through Aug. 1952 (Exec. I and O, 82nd Cong.) in order to continue the administrative framework provided for in the agreement until a revision of it can be negotiated (pp. 9425-6).
91. AIR-POLLUTION RESEARCH. Discussed and passed over, on the objection of Sen. Welker, H. J. Res. 218, to provide for research on air pollution (pp. 9525-6).
92. ST. LAWRENCE WATERWAY. Discussed and passed over, on the objection of Sen. Welker, S. J. Res. 157, granting consent for certain States to enter into compacts with Canada for development of the St. Lawrence waterway (pp. 9526-7).
93. FARM LABOR. As received, S. Doc. 152 proposes a supplemental appropriation of \$2,000,000 for the Immigration and Naturalization Service, Justice Department, to aid in the recruitment program of agricultural workers from Mexico by preventing illegal entry of aliens (June 30).

BILLS INTRODUCED - July 4

94. PERSONNEL. S. 3477, by Sen. Johnston, and H. R. 8528, by Rep. Miller of Calif., to provide severance pay to certain Federal officers and employees; to Post Office and Civil Service Committees (pp. 9390, 9517).

EXPENDITURES.

95. BUDGETING; S. 3482, by Sen. Ferguson, to establish a legislative bureau for the audit, analysis and review of Federal Government programs and projects for the purpose of making recommendations to the Congress with respect to the elimination of unnecessary, wasteful and extravagant activities and for returning to State and local governments or other agencies, public or private, those government functions which they can perform with greater economy and efficiency than the Federal Government; to Government Operations Committee (p. 9391). Remarks of author and text of bill (pp. 9442-4).

RECLAMATION.

96. ELECTRIFICATION; H. J. Res. 496, by Rep. Magee, authorizing an inquiry by FTC into certain practices and activities of private companies engaged in the production, distribution, or sale of electric energy in interstate commerce; to Interstate and Foreign Commerce Committee (p. 9517).
S. 3486, by Sen. Malone, to eliminate the requirement that certain preference be given with respect to the sublease of power privileges leased from the Interior Department; to Interior and Insular Affairs Committee (p. 9583).
S. 3487, by Sen. Malone, authorizing a dam on the Colorado River at Bridge Canyon; to Public Works Committee (p. 9583). Remarks of author and text of

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Gordon
Gore
Graham
Granahan
Granger
Grant
Green
Greenwood
Gregory
Gross
Gwin
Hagen
Hale
Hall
Leonard W.
Halleck
Hand
Hardy
Harris
Harrison, Nebr.
Harrison, Va.
Harrison, Wyo.
Harvey
Havener
Hays, Ark.
Hays, Ohio
Hedrick
Herlong
Hess
Hill
Hinshaw
Hoeven
Holmes
Horan
Howell
Hull
Hunter
Ikard
Irving
Jackson, Calif.
Jackson, Wash.
James
Jarman
Jenkins
Jensen
Jones, Ala.
Jones, Mo.
Jones,
Hamilton C.
Jones,
Woodrow W.
Karsten, Mo.
Kean
Kearns
Keating
Kee
Kelley, Pa.
Kerr
Kersten, Wis.
Kilday
King, Calif.
Kirwan
Lanham
Lantaff
LeCompte
Lind
Lovre
Lucas
McCarthy
McCormack
McCulloch
McDonough
McGuire
McIntire
McMillan
McMullen
McVey
Machrowicz
Mack, Ill.
Mack, Wash.
Madden
Magee
Marshall
Martin, Iowa
Meador
Merrow
Miller, Calif.
Miller, Md.
Miller, Nebr.
Mills
Morgan
Mumma

Murdock
Murphy
Murray
Nicholson
Norblad
Norrell
O'Brien, Ill.
O'Brien, Mich.
O'Konski
O'Neill
Osmers
Ostertag
Passman
Patten
Patterson
Perkins
Philbin
Polk
Poulson
Preston
Priest
Prouty
Rabaut
Radwan
Rains
Ramsay
Rankin
Reams
Reed, Ill.
Rees, Kans.
Rhodes
Ribicoff
Riehlman
Riley
Roberts
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Mass.
Rogers, Tex.
Ross
Sadlak
Sasser
Schenck
Scott, Hardie
Scrivner
Scudder
Secrest
Seely-Brown
Shafer
Sheppard
Sieminski
Simpson, Ill.
Sittler
Smith, Kans.
Smith, Miss.
Smith, Va.
Spence
Springer
Staggers
Stanley
Steed
Stockman
Taber
Talle
Teague
Thomas
Thompson,
Mich.
Thornberry
Tollefson
Trimble
Vail
Van Pelt
Van Zandt
Velde
Vinson
Vorys
Vursell
Walter
Welch
Wharton
Wheeler
Whitten
Widnall
Wier
Wigglesworth
Williams, Miss.
Williams, N. Y.
Wilson, Ind.
Wilson, Tex.
Winstead
Withrow
Wolverton
Wood, Ga.
Wood, Idaho
Yates
Yorty
Zablocki

NAYS—22

Bishop
Budge
Clevenger
Crawford
Dollinger
Donovan
Fine
Heffernan

Hoffman, Mich.
Jenison
Kelly, N. Y.
Lane
McGrath
Mason
Multer
O'Toole

Reed, N. Y.
Rooney
Saylor
Simpson, Pa.
Smith, Wis.
Werdel

NOT VOTING—113

Abernethy
Allen, La.
Anfuso
Bailey
Bates, Ky.
Beall
Beckworth
Bender
Bentsen
Blackney
Boggs, Del.
Bolton
Boykin
Brehm
Brown, Ohio
Brownson
Buckley
Buffett
Burdick
Butler
Carlyle
Cole, N. Y.
Combs
Cooper
Coudert
Curtis, Mo.
Curtis, Nebr.
Davis, Tenn.
Dawson
Dingell
Dolliver
Elston
Evins
Fenton
Fisher
Forrester
Fugate
Furcolo
Gamble

George
Hall,
Edwin Arthur
Harden
Hart
Hébert
Heller
Herter
Heselt
Hillings
Hoffman, Ill.
Holifield
Hope
Javits
Johnson
Jonas
Judd
Kearney
Kennedy
Keogh
Kilburn
King, Pa.
Klein
Kluczynski
Larcade
Latham
Lesinski
Lyle
McConnell
McGregor
McKinnon
Mahon
Mansfield
Martin, Mass.
Miller, N. Y.
Mitchell
Morano
Morris
Morrison

Morton
Moulder
Nelson
O'Brien, N. Y.
O'Hara
Patman
Phillips
Poage
Potter
Powell
Price
Redden
Reece, Tenn.
Regan
Richards
Rivers
Robeson
Roosevelt
Sabath
St. George
Scott,
Hugh D., Jr.
Sheehan
Shelley
Short
Sikes
Stigler
Sutton
Tackett
Taylor
Thompson, Tex.
Watts
Welch
Wickersham
Willis
Wolcott
Woodruff

Mr. Lesinski with Mr. Jonas.
Mr. Kluczynski with Mr. Buffett.
Mr. Allen of Louisiana with Mr. Curtis of Nebraska.
Mr. Davis of Tennessee with Mr. Curtis of Missouri.
Mr. Dawson with Mr. Doliver.
Mr. O'Brien of New York with Mr. George.

Mr. VAN ZANDT and Mr. ARENDS changed their vote from "nay" to "yea."

Mr. HOFFMAN of Michigan changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

SUSPENSION OF CERTAIN IMPORT DUTIES ON TUNGSTEN

The SPEAKER pro tempore (Mr. MILLS) laid before the House the following request from the Senate, which was read:

Ordered, That the House of Representatives be requested to return to the Senate the bill (H. R. 5248) to suspend certain import duties on tungsten, with the accompanying papers.

The SPEAKER pro tempore. Without objection, the request will be complied with.

There was no objection.

VETERANS' READJUSTMENT ASSISTANCE ACT OF 1952

Mr. RANKIN. Mr. Speaker, I call up the conference report on the bill (H. R. 7656) to provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 3, 1952.)

Mr. RANKIN (interrupting the reading of the statement). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Mr. DEVEREUX. Mr. Speaker, reserving the right to object, will the gentleman explain the principal differences between the conference report and the bill as passed by the House.

Mr. RANKIN. That will be done by the gentleman from Texas.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Price with Mr. Brown of Ohio.
Mr. Mitchell with Mr. Cole of New York.
Mr. Hébert with Mr. Kearney.
Mr. Morrison with Mr. Wolcott.
Mr. Keogh with Mr. McConnell.
Mr. Klein with Mr. Coudert.
Mr. Heller with Mr. Woodruff.
Mr. Buckley with Mr. McGregor.
Mr. Wickersham with Mr. Beall.
Mr. Abernethy with Mr. Kilburn.
Mr. Powell with Mr. Elston.
Mr. Sabath with Mr. Bender.
Mr. Moulder with Mr. Herter.
Mr. Bates of Kentucky with Mr. Short.
Mr. Evins with Mr. Taylor.
Mr. Cooper with Mr. Heselt.
Mr. Roosevelt with Mr. Sheehan.
Mr. Dingell with Mr. Hilling.
Mr. Morris with Mr. Judd.
Mr. Larcade with Mr. Latham.
Mr. Welch with Mr. D. Scott, Jr.
Mr. Redden with Mr. Fenton.
Mr. Robeson with Mr. Gamble.
Mr. Bentsen with Mr. Butler.
Mr. Bailey with Mr. Burdick.
Mr. Anfuso with Mr. Boggs of Delaware.
Mr. Kennedy with Mrs. Bolton.
Mr. Sikes with Mr. King of Pennsylvania.
Mr. Shelley with Mrs. St. George.
Mr. Watts with Mr. Reece of Tennessee.
Mr. Willis with Mr. Potter.
Mr. Mansfield with Mr. O'Hara.
Mr. Patman with Mr. Morton.
Mr. Furcolo with Mr. Morano.
Mr. Fugate with Mrs. Harden.
Mr. Boykin with Mr. Edwin Arthur Hall.
Mr. Holifield with Mr. Miller of New York.
Mr. Rivers with Mr. Blackney.
Mr. Lyle with Mr. Nelson.
Mr. McKinnon with Mr. Phillips.

Mr. HAYS of Ohio. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Two hundred and twenty Members are present, a quorum.

Mr. RANKIN. Mr. Speaker, this bill which we will shortly enact into law represents a tremendous amount of work on the part of the Congress, and particularly upon the part of the Committee on Veterans' Affairs. Weeks of hearings were held on this subject and weeks of work have gone into the final product.

In all I introduced seven bills on this subject and the bill which will be finally presented to the President closely resembles the bill, H. R. 7642, which I introduced some weeks ago.

I am particularly gratified that the entire education and training allowance is to go to these veterans whose good sense and initiative will be used in determining the type of education and training for which each one is best suited. With the enactment of this bill every benefit which was granted to World War II veterans by legislation emanating from the Committee on Veterans' Affairs will be provided the veterans of the Korean conflict.

Mr. Speaker, I yield 10 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, I would like first of all to express my very deep regret that the gentleman from Maryland, General DEVEREUX, is leaving the Committee on Veterans' Affairs and going to the Committee on Armed Services. He has been a very valiant fighter on the committee for veterans' rights. He knows all of the laws pertaining to the soldiers, to the servicemen; he knows all the laws now pertaining to the veterans. I would like to state that he was in constant attendance. He never missed a subcommittee hearing and he never missed a full committee hearing, and he never missed a meeting on the floor of the House. You all know that General DEVEREUX was decorated for bravery during the war. Some times it takes bravery to speak on the floor, I know. General DEVEREUX is a great fighter.

Mr. Speaker, I think that this report in the main is an excellent report. There was some yielding and giving in while the measure was in conference. I personally would like to have had the Nixon amendment adopted which would have provided direct payments to private schools and institutions, but that was voted out; the conferees voted against it. I was extremely glad that an unemployment insurance compensation amendment was agreed to. It provides \$26 a week for 26 weeks. I believe no Member of the House will be opposed to that. Our men in Korea, our fighting men, certainly are entitled to unemployment insurance. The working people of this country, at good wages and happy conditions, are entitled to unemployment compensation. You will recall my remarks in this House yesterday when I said that I did not see how any human

being who voted to give unemployment insurance to people who work in factories and other places at good pay could refuse to give unemployment insurance to men who toil and sweat while facing death in Korea.

This feature of the measure was one of the bones of contention in the conference. I am glad to say that I stood by my support of it throughout the discussions, sometimes without much aid. However, I am very happy that this title IV remains in the bill. I believe that the report will be unanimously adopted.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Is this the report that contains the GI educational provisions?

Mrs. ROGERS of Massachusetts. Yes, as it passed the House. It provides more compensation for men with more than one dependent. The amount for the single man is the same.

Mr. AUGUST H. ANDRESEN. Can the gentlewoman advise the House as to the provision for GIs who want to go to private colleges? Was there any differentiation on that score?

Mrs. ROGERS of Massachusetts. No, they will pay the tuition themselves instead of having the Federal Government pay it directly to the colleges and schools. I wanted the provision known as the Nixon amendment, which was inserted in the Senate, but the conferees did not agree to it; so the money is paid directly to the men, \$110 for a single man, \$135 for a man with one dependent, and \$160 for a man with more than one dependent. The conferees upped the amount carried in the original House bill.

Mr. AUGUST H. ANDRESEN. Then it is left to the discretion of the GI as to whether he wants to go to a public school, a State university, or a private college?

Mrs. ROGERS of Massachusetts. That is correct. He chooses the one he wants to go to. I thought it would be a little easier for him to go to a school of his choice if the money were paid directly to the private school or institution. I also thought it was a hedge against communism.

Mr. Speaker, I think this bill is a good one. It is long delayed. It is 2 years late. I am thankful that we have it now.

The Senate put a provision in the bill that a man could not have mustering-out pay and also a reenlistment allowance given to him. The conferees struck out all reference to reenlistment pay because we felt it did not belong in a measure of this kind. Mustering-out pay was payment for services rendered, not enough but some money, the same amount that was given to World War II veterans, reenlistment allowance is a bonus given for reentering the service. That was left out of the bill, as it should be.

Mr. RANKIN. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. TEAGUE].

Mr. WIER. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE. I yield to the gentleman from Minnesota.

Mr. WIER. This sounds like the Teague bill. Is this the Teague bill?

Mr. TEAGUE. I will say to the gentleman from Minnesota that this bill is the result of work over the past 2 years by every educational group in this country, by the House select committee, by the Veterans' Affairs Committee, by the Senate committee, and the governmental agencies, such as the General Accounting Office and the VA. It is a bill that has had every consideration that any bill should have that passes the Congress.

Mr. Speaker, the gentleman from Maryland [Mr. DEVEREUX] asked concerning the differences between the bill in its present form and the form in which it passed the House. One of the major differences adopted by the Senate was the amendment suggested by the gentleman from Maryland [Mr. DEVEREUX] that the classification of veterans be separated for subsistence purposes into three dependency groups, the single veteran, the veteran with one dependent, and the veteran with more than one dependent.

Mr. Speaker, I wish to compliment the gentleman from Maryland for the steps he took to correct the bill, and I think his amendments have improved the bill.

The Senate raised the amount of the allowance for a veteran with more than one dependent.

Another difference between the bill approved by the conferees and as it passed the House is that as it passed the House the bill required 25 percent nonveterans in courses offered by profit schools. The Senate reduced that to 10 percent and the conferees agreed on 15 percent.

Another difference is that the Senate placed in the bill a provision to pay all schools something for the administrative burden this bill imposes on them. That amount was \$1.50 per veteran. The conferees agreed to this change.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE. I yield.

Mr. AUGUST H. ANDRESEN. The gentleman refers to colleges. Just what kind of colleges does he mean?

Mr. TEAGUE. Well, in this case I refer to all schools.

Mr. AUGUST H. ANDRESEN. That is private and public?

Mr. TEAGUE. Yes, private and public.

Mr. AUGUST H. ANDRESEN. And they will be paid \$1.50 per individual for administrative expenses?

Mr. TEAGUE. That is correct. From the study that has been made, this will probably be a little less than the actual cost to the schools for administrative cost incident to handling the veteran, but the allowance does pay for some of the administrative expense.

Mr. AUGUST H. ANDRESEN. That will not be paid directly to the GI?

Mr. TEAGUE. No, the payment will go directly to the school.

Mr. KERSTEN of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE. I yield.

Mr. KERSTEN of Wisconsin. Is that \$1.50 per student for administrative expenses the lowest amount, or is there a rate of \$1.50 up to a certain amount?

Mr. TEAGUE. That is a fixed amount. It is \$1.50 per month per veteran in the school.

Mr. KERSTEN of Wisconsin. Per month?

Mr. TEAGUE. That is correct.

Mr. Speaker, the social-security provision was taken out of the House bill because a similar provision was in H. R. 7800, which passed the House and the Senate.

Unemployment compensation was placed in the bill of \$26 for 26 weeks, to be administered by the Department of Labor according to State contracts.

On housing, the warranty provision was taken out of the bill. I believe that is the only change in housing as the bill passed the House.

Mr. Speaker, I believe those are the major differences in the bill.

Mr. LECOMPTE. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE. I yield.

Mr. LECOMPTE. The conference committee came to the conclusion that it was not advisable to make an allowance directly to the colleges and universities for tuition.

Mr. TEAGUE. The basic principle of this bill, which was first adopted, was the scholarship principle of giving a veteran a certain amount of money each month permitting him to go to the school of his choice so long as he could get good schooling, and went to a good school which met the standards for approval. In our committee, the principle of making a separate payment to the colleges was considered and defeated. In the Senate committee, it was defeated. There was later an amendment, which was called the Nixon amendment, added by the Senate, which provided that payments would be made to veterans in varying amounts, depending on the school he attends. If he attended an expensive school he would receive up to \$40 per month; if he attended a school which charged \$10, he would receive \$10 for tuition. That was taken out in conference.

Mr. LECOMPTE. What I was getting at, of course, that privately endowed colleges, by the very nature of the case, had to charge more tuition than the tax-supported schools.

Mr. TEAGUE. That is correct.

Mr. LECOMPTE. Of course, veterans who are hard up for money might, in many cases, desire to go to the privately endowed college, but of necessity would have to go to the tax-supported school.

Mr. TEAGUE. What would happen if we did not have the GI bill?

Mr. LECOMPTE. Probably both classes of veterans would not get any education.

Mr. TEAGUE. We went into this matter very carefully because the question raised by the gentleman is very important. The United States Office of Education made a very careful study of that. They told us that 40 percent of the young men in this country going to school have sufficient money to go

to private schools. There is another 40 percent who have sufficient money to go to tax-supported schools or public schools. There is another 20 percent who have insufficient funds to go to any school. They told us that under the provisions of our bill many of these young men who would normally have gone to a tax-supported school will now go to a private college because we have given them more money to finance their education. A great number of the 20 percent, or all of the 20 percent, that do not have enough money to go to any school will have sufficient money to go to some school, either private or tax-supported.

Mr. LECOMPTE. I think the committee has done all right, but I did hope that there would be a better opportunity for boys to select their school through some plan similar to that suggested by the gentleman from Illinois [Mr. SPRINGER], or on the basis of the Nixon amendment.

Mr. TEAGUE. When you take a certain amount of money and turn it over to a young man and say, "Go wherever you please"; now can you give him any more freedom?

Mr. LECOMPTE. Yes; but the money will not go far in any school. That is the answer.

Mr. TEAGUE. Does the gentleman want to put a restriction upon this because the boy wants to go to a private school?

Mr. LECOMPTE. I want you to give him so many months or so many years of schooling. I do not want you to give him so much money, but I want you to give him so many months of tuition.

Mr. TEAGUE. Every educational group in this country who testified before our committee testified in behalf of the provision of the House bill. It is true that some few colleges within the American Council of Education broke away from their organization and came out for increased payments to high-priced schools.

Mr. LECOMPTE. I thank the gentleman very much for yielding to me.

Mr. SITTler. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE. I yield to the gentleman from Pennsylvania.

Mr. SITTler. Is it not a fact that all of the colleges of the country are in the business of purveying education to the men who want a college education and and those men represent the market for which the colleges are competing? Is it not reasonable that if you are going to benefit a number of thousands of men who are going into that market the way to do it with the least favoritism to any kind of educational institution is to give each man a scholarship, rather than giving the college the scholarship.

Mr. TEAGUE. Yes.

Mr. SITTler. Does that not preserve the American proposition which is as effective in purveying education as it is in purveying goods and services?

Mr. TEAGUE. The gentleman is exactly right.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE. I yield to the gentleman from Illinois.

Mr. MASON. As a school man of 36 years' experience, I say this is a much better plan and much fairer to the GI boys than the old plan was under the old scheme.

Mr. TEAGUE. I thank the gentleman very much.

Mr. VAN ZANDT. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. I notice in the conference report where you have accepted the maximum benefit of \$26 a week for a maximum period of 26 weeks for unemployment insurance. Have you wrapped it up with restrictions designed to eliminate the criticism that was directed to similar benefits paid to World War II veterans and which was commonly called the 52-20 club?

Mr. TEAGUE. I will say to the gentleman that it does not start until 90 days after the man gets out of the service and he must exhaust whatever benefits he may have under the State plan before he comes under this plan. He must within his own State line up with non-veterans, the same as the veterans do. He will be subject to the regulations of the State. We do not believe there will be any abuses such as took place heretofore.

Mr. SITTler. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE. I yield to the gentleman from Pennsylvania.

Mr. SITTler. Is it not also true that the gentleman who is presenting this information spent about 2 years investigating the abuses of the previous GI bill, and out of that study has come this plan which he has presented after a great deal of thought and preparation and is considered by those educators throughout the country who have watched it to be the most effective way of helping the GI?

Mr. TEAGUE. Mr. Speaker, I wish to say that the gentleman from Pennsylvania [Mr. SITTler] is a member of the Veterans' Affairs Committee and has worked hard on this legislation. He attended all of the hearing and has supported a program which will give both the veterans and taxpayers a break. The veterans of Pennsylvania are fortunate to have such a friend. Of course, what the gentleman from Pennsylvania [Mr. SITTler] says is true. There were abuses in colleges, the same as there were in other groups of schools. The law set up a limit of \$500 for tuition and fees in school, but some schools raised their rates as close to the \$500 as possible. In many schools the veteran had to buy books not required for nonveterans. Some schools increased the tuition as much as 300 percent. In this bill we turn this scholarship allowance over to the veteran. I think he has sufficient good judgment and good sense to go to the best school for him. We think it will do away with 90 percent of the red tape and bookkeeping that took place under the World War II plan, and eliminate many of the sources of abuse.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE. I yield to the gentleman from California.

Mr. HOLIFIELD. Was it possible for your committee to take up the problem which I discussed with you personally in regard to the veteran taking related courses when he so desired?

The SPEAKER. The time of the gentleman from Texas has again expired.

Mr. RANKIN. Mr. Speaker, I yield the gentleman five additional minutes.

Mr. TEAGUE. I know what the gentleman is speaking of. I am not sure about the conference report, but in the House report we spelled that out and made it clear what we meant by "related courses." Under the bill the veteran may arrange a program of training including related courses of his choice.

Mr. HOLIFIELD. In many cases, like a radio technician in a small radio station, he has had to do not only the technical work but the announcing as well. If he wants to take a course in speech improvement, which is related to the job but not necessarily the same thing, it is your opinion that he could be allowed to take that type of course?

Mr. TEAGUE. That is correct. I know of the efforts by the gentleman from California to correct the situation. We think we have eliminated the possibility of its reoccurrence in this bill.

Mr. Speaker, I yield back the remainder of my time.

CALL OF THE HOUSE

Mr. HAYS of Ohio. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and seventy-nine Members are present, not a quorum.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 145]

Abernethy	Fugate	Morrison
Allen, La.	Furcolo	Morton
Anderson, Calif.	George	Moulder
Anfuso	Hall	Nelson
Balley	Edwin Arthur	O'Brien, N. Y.
Bates, Ky.	Harden	O'Hara
Beall	Hébert	Patman
Beckworth	Heller	Poage
Bender	Herter	Potter
Bentsen	Heseltun	Powell
Blackney	Hillings	Price
Boggs, Del.	Hoffman, Ill.	Rabaut
Boykin	Hope	Redden
Brehm	Horan	Reece, Tenn.
Brown, Ohio	Javits	Regan
Brownson	Johnson	Richards
Buckley	Jonas	Robeson
Buffett	Judd	Sabath
Burdick	Kean	St. George
Butler	Kearney	Scott, Hugh D., Jr.
Camp	Kennedy	Sheehan
Carlyle	Keogh	Shelley
Carrigg	Kilburn	Short
Celler	King, Pa.	Sikes
Cole, N. Y.	Klein	Stigler
Combs	Kluczynski	Sutton
Cooper	Larcade	Tackett
Coudert	Latham	Taylor
Curtis, Mo.	Lesinski	Thornberry
Curtis, Nebr.	Lyle	Vail
Davis, Tenn.	McConnell	Watts
Dawson	McGregor	Welch
Dingell	McKinnon	Wickersham
Dolliver	Marshall	Wier
Elston	Martin, Mass.	Wolcott
Evins	Miller, N. Y.	Woodruff
Fenton	Mitchell	
Fisher	Morano	
Forrester	Morris	

The SPEAKER. On this roll call 312 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

VETERANS' READJUSTMENT ASSISTANCE ACT OF 1952

Mr. RANKIN. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. O'NEILL] for a unanimous-consent request.

(Mr. O'NEILL asked and was given permission to extend his remarks at this point in the RECORD and include a letter.)

Mr. O'NEILL. Mr. Speaker, I have received the following letter from the Commissioner of Internal Revenue in regard to the taxability, for Federal income tax purposes, of certain payments received by former prisoners of war:

UNITED STATES TREASURY DEPARTMENT,
Washington, July 3, 1952.
Hon. HARRY P. O'NEILL,
House of Representatives,
Washington, D. C.

Mr. DEAR MR. O'NEILL: Reference is made to your verbal inquiry concerning the taxability, for Federal income tax purposes, of payments received by former prisoners of war under the authority of section 6 (d) of the War Claims Act of 1948 as added by section 6 (d) of the War Claims Act of 1948 as added by section 1 of Public Law 303 approved April 9, 1952, Eighty-second Congress.

As defined in section 6 (d) (1) of the act, the term "prisoner of war" means any regularly appointed, enrolled, enlisted, or inducted member of the military or naval forces of the United States, who was held a prisoner of war for any period of time subsequent to December 7, 1941, by any government of any nation with which the United States has been at war subsequent to such date.

Section 6 (d) (2) and (3) relates to cases where a prisoner of war was subjected by an enemy government, or by its agents, to labor in violation of such government's obligations under title III, section III, of the Geneva Convention of July 27, 1929, or where he was subjected to inhumane treatment through the violation by such enemy government, or its agents, of one or more of the provisions of articles 2, 3, 7, 10, 12, 13, 21, 22, 54, 56 or 57 of the same Geneva Convention concerning the proper treatment of prisoners of war.

The law provides that in such cases "compensation" shall be allowed to any prisoner of war at the rate of \$1.50 per day for each day he was held as a prisoner of war on which he alleges and proves in a manner acceptable to the War Claims Commission, the violation by such enemy government of any of the provisions of the Geneva Convention referred to above.

Any claim allowed under this law must be certified to the Secretary of the Treasury for payment out of the War Claims Fund established by section 13 of the Act. This fund consists of all net proceeds covered into the Treasury as remaining upon the completion of administration, liquidation, and disposition of enemy assets seized or vested by the Office of Alien Property. If the prisoner of war is no longer living, payment will then be made to:

1. The widow or dependent husband if there is no child or children of the deceased;
2. The widow or dependent husband and child or children of the deceased, one-half to the widow or dependent husband and the other half to the child or children of the deceased in equal shares;

3. The child or children of the deceased (in equal shares) if there is no widow or dependent husband; and

4. The parents (in equal shares) if there is no widow, dependent husband, or child. Claims for compensation under section 6 (d) of the act must be filed with the War Claims Commission within 1 year after April 9, 1952, the date of the enactment of the act.

In a letter dated March 24, 1952, to Mr. McCormack, majority floor leader of the House of Representatives, the War Claims Commission, in estimating the cost of legislation which would be designed to satisfy personal injury, death, inhumane treatment, and detention claims, referred to the Dempsey bill, which became section 1 of Public Law 303, as relating to compulsory labor and inhumane treatment of POW's.

Mr. DEMPSEY, in explaining the bill to the House, stated in part (CONGRESSIONAL RECORD, March 31, 1952, pp. 3244 and 3245):

"Mr. Speaker, I am very happy that the Congress finally has had an opportunity to do something to require payment to the prisoners of war held by our former enemies in World War II, of that to which they are justly entitled from the hands of those former enemies, and that payment will be made from funds of those former enemies rather than with money out of the Federal Treasury. * * *

"Our boys who went to the Pacific, especially to the Philippines, prior to World War II, went there quite untrained and had very much less material than they should have had. When they were captured, it was not because they did not fight or did not want to fight. They reached the point where they had no food to keep them alive, nor did they have the armament necessary to carry on the fight. That is why they were captured. The treatment given to them was perhaps the most inhumane ever recorded in history. I saw a great many of these boys who came back to New Mexico. Not many of them came back as they went—they came back in part only. * * *

"The action of this honorable body today is a great step toward most proper and rightful recognition of an obligation that our Nation has had for more than 5 years. It means that the 132,000 former prisoners of war from the fighting forces of our country who endured hardships and torture and were forced to labor for their enemy captors are at long last likely to receive the payment by those former enemy nations from alien property funds under terms of the Geneva Convention."

Mr. BECKWORTH, a member of the Interstate and Foreign Commerce Committee which had reported favorably, the bill that became Public Law 303, further explained it as follows:

"In the late hours of the session of Congress that ended in 1948, we were able to pass a bill that set up a War Claims Commission. That bill also contained a provision that paid all former prisoners of war \$1 a day, because of the fact that the food that they had been fed was not in accordance with the provisions of the Geneva Convention. It was far substandard. All of the prisoners of war who will benefit under the terms of this legislation, \$1.50 a day, already have benefited \$1 a day."

The War Claims Act of 1948 states that its purpose is, in part, "to provide for relief for internees in certain camps." Senate Report No. 1742 (80th Cong.) on the bill discloses that the internees in question include former military personnel who were held as prisoners of war by any former enemy of the United States.

The benefit of \$1 a day, which was paid under the authority of section 6 (b) of the War Claims Act of 1943, has been held by this Bureau to be exempt from income tax.

In view of the foregoing, it is the opinion of this Bureau that the benefit of \$1.50 a day, arising from the violation by a sovereign enemy government of its obligations to furnish prisoners of war the treatment to which they were entitled under the terms of the Geneva Convention of July 27, 1929, does not constitute gross income for Federal income-tax purposes, and that it is not subject to income tax.

Very truly yours,

JOHN B. DUNLAP,
Commissioner.

Mr. RANKIN. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. McCORMACK] for a unanimous-consent request.

(Mr. McCORMACK asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. McCORMACK. Mr. Speaker, on the last day of June 1952, a great man died.

The Reverend Dr. James Shera Montgomery served as Chaplain of the House of Representatives during the 29 years between 1921 and 1950. His inner serenity acted as a checkrein upon us in our moments of triumph. His immovable faith buoyed us aloft in our moments of tragedy and loss.

He moved so quietly when he was among us that there were times when we were scarcely aware of his presence. When he retired from his post which he had held during nearly three decades, he chose to live within sight of those whom he had served. He was a regular visitor in the Halls of Congress even after his retirement.

Now that he is gone from us, there is a void which may not easily be filled.

One of his favorite sayings was, "I love Congress."

His love for us was genuine and real. His prayers revealed that love. His counsel demonstrated it.

Dr. Montgomery was born at Mount Carmel, Ind., the son of the Reverend William M. and Anna. He graduated from the Muncie (Ind.) Academy in 1881 and studied at DePauw, Northwestern, and Oxford, England, and the B. D. Garrett Bible Institute where he finished in 1892. He became a doctor of divinity in 1900. He was ordained in 1893 and served in pastorates at Toledo and Minneapolis before coming to the Metropolitan Methodist Episcopal Church in Washington. He was elected Chaplain of the House on March 1, 1921.

If any single trait stood out from that wonderful blend of traits which composed the character of our beloved spiritual guide, it was his absolute belief in God.

There is a passage in the seventh chapter of the Gospel according to St. Luke which describes just such a man. The servant of a Roman centurion was sick unto death. The centurion appealed to the Redeemer to heal the servant. Such was the centurion's deep and abiding belief that Christ said:

I say unto you, I have not found so great faith, no, not in Israel.

I cannot think of Dr. Montgomery without, also, thinking of these sacred words.

He was the epitome of goodness and of godliness. He did not thrust his thought

on anyone, but he spoke in a language common to all who believe in God. No one could live near him—and with him—without becoming a better man because of that experience.

He was a powerful man because he was a meek man.

He was strong because he was gentle.

He was influential because he was a man of wisdom.

Dr. Montgomery was a man of God.

Mr. RANKIN. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. DEVEREUX].

Mr. DEVEREUX. Mr. Speaker, I was the only one who voted against the GI bill when it was presented on the floor of the House. The reason I did so was to point out several things. First of all, it was the manner of considering such an important bill. Secondly, there were some provisions of the bill with which I did not agree. I felt, if I made my thoughts known, perhaps the provisions would be corrected. I am happy to say that after the explanation of the gentleman from Texas [Mr. TEAGUE] of the changes in the bill, my objections have largely been overcome, and I wholeheartedly support the bill as it has come out of conference.

Mr. RANKIN. Mr. Speaker, I yield to the gentleman from North Carolina [Mr. HAMILTON C. JONES].

Mr. HAMILTON C. JONES. Mr. Speaker, I think this is a very excellent bill and has been considered very carefully. I am a member of the committee and have attended most all of the sessions. It is an eminently fair, just and good bill. The gentleman from Texas [Mr. TEAGUE] and the gentleman from Mississippi [Mr. RANKIN] are entitled to a great deal of credit for bringing the bill in in this form.

(Mr. HAMILTON C. JONES asked and was given permission to revise and extend his remarks.)

Mr. RANKIN. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. PHILBIN].

(Mr. PHILBIN asked and was given permission to revise and extend his remarks.)

Mr. PHILBIN. Mr. Speaker, this bill marks one more very desirable and urgently required step by the Congress in rounding out and extending governmental benefits to the gallant veterans of the Korean war.

Like much legislation, this bill represents a compromise of conflicting views concerning procedures and methods by which the benefits provided herein shall be administered. The committee has carefully considered this measure and the conferees have endeavored to iron out various differences. While I am not entirely satisfied with some provisions, on the whole I believe the bill definitely moves in the right direction. More important, the bill deals with benefits which should have been provided long ago. It is high time that Congress acted to extend this assistance to those who have so superbly served the Nation in one of the bloodiest and most barbarous wars in American history.

If there are shortcomings and imperfections in the bill we must not permit them to deter us from extending these

benefits at this time. I believe that in the main the bill has merit. If necessary the Congress can correct any weaknesses in the bill at a later date. I am not willing to tolerate further delay in such a vital and pressing matter which affords such highly deserved consideration to the Korean veterans.

I am conscious of the criticism of various amendments as proposed but I would not in any circumstances be willing to vote to delay the speedy adoption of the bill. I will, therefore, vote in favor of this measure and I have no doubt of an overwhelming result.

Mr. RANKIN. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Mr. Speaker, I support this bill although it does not altogether satisfy me. I trust the House will recall some of the remarks I made with reference to the Springer amendment on two occasions when I appeared in the well of the House. I want to clarify, if I may, one or two things that have been asked me by any number of Members on both sides of the aisle, and that is whether or not this bill contains any provision of either the Nixon or the Springer amendment for direct payment to colleges and universities of tuition rather than payment to the GI's. May I say that it does not. You will recall, when this bill was considered here under the suspension of the rules, there was no chance to amend it. But when it went to the other body, I appeared there before the Senate committee and testified. The amendment was defeated in the committee. However, the Nixon amendment was a modification of my amendment, and was adopted on the floor of the other body, and put in the bill in conference. In my opinion, the heart of the bill is the question of whether you are going to make direct payments to the GI's or whether you are going to make direct payment of tuition directly to the college or university.

I think the Nixon amendment was an improvement over the Springer amendment, in this respect: that it provided for direct payment of tuition to the college or university, but it provided it should be made by the GI himself. The Nixon amendment provided that the payment of tuition should be made direct to the GI, who in turn would pay it to the university, but it provided also that the tuition should not exceed the amount that was charged a nonveteran at the same university. In other words, suppose the University of Mississippi charged a tuition of \$110. They paid to the GI \$110, which he in turn paid direct to the university. Under this particular bill, I think I explained to you in the committee when we considered the question of tuition and the question of subsistence, we arrived at \$80 a month for subsistence and \$30 a month for tuition. That makes a total of \$360 a year for tuition. If he goes to the University of Mississippi, under the Nixon amendment the University of Mississippi would get \$110, but under this particular bill, the Teague bill, the GI gets \$360 in his own pocket. So that he actually adds to this subsistence the sum of \$240. I just wanted to say to you that in the con-

ference the Nixon amendment was removed, so that you have no protection at all, in my opinion, to the Treasury of the United States as far as payment to these GI's is concerned. Actually under this bill you are adding \$240 more to the GI who goes to the University of Mississippi than you are giving to the veteran who uses up all of his \$360 by going to a private school. My objection to the Teague bill in the beginning was this discrimination between GI's. I think it is sound, I think it is moral, and I think it is also good legislation.

Mr. VELDE. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Illinois.

Mr. VELDE. As I understand it, the way the bill is written at the present time, both your amendment and the Nixon amendment are out of the bill.

Mr. SPRINGER. That is correct.

Mr. VELDE. So that the result is that the average GI who wanted to go to college could choose a tax-supported school and then he would be able to pocket the extra money that he received under the GI bill. Is that true?

Mr. SPRINGER. That is correct. It was the purpose of my amendment, to eliminate the thing you are talking about.

Mr. VELDE. It seems to me we have been too long thwarting the attempts of the privately endowed schools to exist. I believe your amendment is a good amendment, as well as the Nixon amendment, and personally I would like to go on record as supporting both of them.

Mr. SPRINGER. I think the Springer amendment would have been adopted by the House if we had not been forced to consider the bill under suspension of the rules. With the adoption of the Nixon amendment by the Senate there would not be any objection today. Personally, I think the Nixon amendment is better than the Springer amendment, because it pays directly to the GI, but only the sum which the university can charge any nonveteran.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I supported the Springer amendment and I would have supported the Nixon amendment. I would like to see that come up for a vote, but, as I understand, that is impossible. As I see the situation, it leaves it entirely to the veteran whether or not he wants to go to a private school and pay out more money in tuition, as against going to a public institution where his tuition is less.

Mr. SPRINGER. That is right.

Mr. AUGUST H. ANDRESEN. He gets the same amount of money.

Mr. SPRINGER. In my opinion, the Nixon-Springer amendment was not a private school-public school fight, because the principle had been endorsed last summer in a poll of the American Council on Education by both public and private universities by over 9 to 1.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. RANKIN. Mr. Speaker, I yield the gentleman one additional minute.

Mr. SPRINGER. I think that the Springer-Nixon amendment is not a fight between the private-public schools. It is a question of whether or not you are going to allow the GI to profit on tuition. We are trying to eliminate the abuses from this bill. The gentleman from Texas [Mr. TEAGUE] developed the idea of scholarship. I never heard of that until we got into this fight over the Springer amendment. I want to say this, that on the testimony that was made in the Senate committee—and the gentleman from Texas [Mr. TEAGUE] will recall this, I am sure.

When McGrath testified there, the United States Commissioner of Education, he testified that this was the forerunner of Federal scholarships. That was exactly his testimony. Senator PASMORE examined him about that and he said that this is a trial run for Federal scholarships; that that bill is going to come up. Legislation is being prepared by the United States Commissioner of Education to come before this House next January.

Mr. KERSTEN of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. KERSTEN of Wisconsin. I, too, would like to have supported the Springer or the Nixon amendment, because I believe the private schools and colleges of the country are doing a great job for the education of the boys.

Mr. SPRINGER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. RANKIN. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Speaker, I shall vote for the conference report, although there are some provisions with which I disagree and others with which I do not agree wholeheartedly. I am one of those who supported the Springer amendment and later the Nixon amendment, both of which failed of enactment. All in all, however, I believe this bill to be a good one and deserving of passage.

I would like to ask the gentleman from Texas [Mr. TEAGUE] a question: I have called the attention of Members of the House Committee on Veterans' Affairs, including the gentleman from Texas, to the unique position of the State of California with respect to payments for tuition direct to the veteran rather than to the educational institution. The California State attorney general has issued an opinion to the effect that it is not possible under our State constitution to charge a student in high school or junior college for his education; it is free. It is impossible to charge tuition or fees.

Now, because this bill will increase the attendance in our high schools and junior colleges, as well as our colleges, in California, it is going to throw an increased burden on our State for which there is no possibility of reimbursement.

The State superintendent of education suggested an amendment to correct this situation which was brought to the at-

tention of the committee. I would like to ask the gentleman from Texas why this particular amendment was rejected.

Mr. TEAGUE. I would like to tell the gentleman first that this amendment was submitted to the Office of Education and was submitted to Mr. Lindsay Warren, Comptroller General of the United States, and both these agencies said that it objected to the amendment.

They said further that it would cause the Veterans' Administration to go back into the school business fixing tuition rates. The bill approved by the conferees contains a provision permitting schools with no charges for tuition and fees to charge the veteran up to \$10 a month. This provision was intended specifically to assist the schools in California and New York which charge no tuition.

I recognize that the California public schools charge no tuition, but the fact that we give the veterans some additional money to go to school does not make me believe we owe any school in the United States anything except the additional administrative burden which may have been placed on them in taking care of veterans. To take care of the situation in California, New York, and Louisiana where this situation also exists, we have allowed \$1.50 per month because of the additional administrative burden that is placed upon them.

Mr. HUNTER. Notwithstanding my objection to this feature of the conference report, I want to thank the gentleman from Texas who is not only a member of the House Committee on Veterans' Affairs but is also a member of the select committee which made a very exhaustive investigation over a period of 2 years of the educational operations under the World War II GI bill. I think it was a monumental work, which this committee did, particularly the report which was issued. I wish to commend the gentleman for his splendid work as chairman of that committee.

Mr. TEAGUE. I thank the gentleman from California. Mr. Speaker, the gentleman from California [Mr. HUNTER] is a member of the Veterans' Affairs Committee and has worked very hard on this legislation. I have worked with the gentleman from California [Mr. HUNTER] on questions pertaining to farm training, flight schools, and the public schools. He has been very persistent in his efforts to protect the veteran and at the same time to see that we have a sound program. I want to thank the gentleman from California for the help he has given in developing this legislation.

Mr. RANKIN. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. O'KONSKI].

Mr. O'KONSKI. Mr. Speaker, we have here what I believe to be the best possible bill that could be adopted by this session of the Congress. The gentlewoman from Massachusetts [Mrs. ROGERS] and I held out in the conference between the two bodies hoping that we could bring about a more amicable adjustment on this tuition business which the gentleman from Illinois [Mr. SPRINGER] brought out. However, we feel that to send this bill back would

mean there would be no GI bill in this session of Congress. So in a spirit of fair play, in a spirit of fairness, and also in the interest of the veteran, knowing full well a bill must be passed now or never as far as this session of Congress is concerned, we went along with the majority and were happy to do so because we believe we have here a good bill, everything considered.

I want to point out that this bill was drawn up on the basis of the great experiment which we had with the GI bill for the veterans of World War II. There were many abuses in that measure, there were many weaknesses in that measure. This bill we are now considering took into consideration every one of those weaknesses and every one of those abuses. We put regulations in this legislation which would stop all weaknesses and abuses that existed in the GI bill of World War II.

The main change from the bill that passed the House some time ago and the main addition to this bill, of course, is the provision involving unemployment compensation. There were many abuses in the 52-20 Club in the last bill, to such an extent we felt we did not want to continue them; however, we have a provision in reference to unemployment compensation which we think is fair and which we think will eliminate all of the abuses that took place in the old 52-20 Club by placing the administration of payments of these benefits under the laws of the various States and also setting a minimum, changing it from 52-20 to a 26-26 basis. We believe this is a good compromise, and you may rest assured that the administration of this law as provided by these provisions will be such that you will find the abuses which existed in the 52-20 Club of the old bill.

In closing, Mr. Speaker, may I say again that we have a good bill here. We have a bill that each and every Member of this body in good conscience can vote for and know that we have done the best job that can be done.

Mr. KERSTEN of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. O'KONSKI. I yield to the gentleman from Wisconsin.

Mr. KERSTEN of Wisconsin. I wish to compliment my colleague for his good work on this bill, as well as the other members of the conference. I shall also support this conference report. I had hoped there would be more protection to both segments of the school system of the United States, public and private, than there is, but I shall nevertheless support this conference report.

Mr. O'KONSKI. Mr. Speaker, I want to make one more observation. A great deal of credit should go to the chairman of the Committee on Veterans Affairs and the members of that committee, particularly to the gentleman from Texas [Mr. TEAGUE]. This has been a sort of hobby with him, his baby, so to speak. He has made an extensive investigation through his selective committee of the abuses involved in the old GI bill. A great deal of the credit for the provisions in this bill should be given to the gentleman from Texas [Mr. TEAGUE].

Mr. SITTLER. Mr. Speaker, will the gentleman yield?

Mr. O'KONSKI. I yield to the gentleman from Pennsylvania.

Mr. SITTLER. I would like to compliment the gentleman for his effective explanation of the unemployment compensation feature of the bill as it has come to us from the conference committee. While I was opposed to a renewal of the wasteful procedures of the old 52-20 club, I am inclined to accept the idea of having these funds State-administered, available for 26 months and after 90 days following discharge.

Mr. Speaker, the today's veteran is entitled to the same benefits and opportunities as the veteran of World War II. This bill gives him those benefits, but because of the splendid work of the gentleman from Texas [Mr. TEAGUE] and his select committee, the American taxpayer is to be spared the waste and graft that occurred in some instances under the act of 1944. This is a good bill and I support it most heartily and vote for it gladly.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. O'KONSKI. I yield to the gentleman from Illinois.

Mr. SPRINGER. What the gentleman said in reference to unemployment compensation is that this puts the returning GI in exactly the same status as any other unemployed person in the State to which he returns, is that correct?

Mr. O'KONSKI. Yes.

Mr. SPRINGER. There is no difference between a GI and any other unemployed person?

Mr. O'KONSKI. That is correct, with the exception we have established a minimum payment. There are some States in the Union that pay less than other States, less than \$26 a week. We have struck what we call the national average, feeling that the veteran from the State of Mississippi where, I do not know, but the employment rate may be less, is made equal to the sacrifice of the veteran from my State where we pay \$30 a month. We have struck a national average of \$26 a week so that they will all be treated alike.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. O'KONSKI. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. It is not a 26-26 club; it is just a matter of common justice in doing for the veterans what you are doing for the civilians.

Mr. O'KONSKI. That is correct.

Mrs. ROGERS of Massachusetts. Some States give more unemployment compensation than \$26 a week.

Mr. O'KONSKI. The gentlewoman is correct.

Mr. RANKIN. Mr. Speaker, in reply to the statements that have been made, I desire to say that the distinguished Senator from Illinois who sat on the conference said that this Nixon amendment would be a monstrosity, and that it would penalize the veterans instead of doing them any good.

Our veterans are entitled to the benefits this measure provides. I hope it passes by a unanimous vote.

Mr. Speaker, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. VORYS. Mr. Speaker, I am in favor of this bill for readjustment benefits for Korean veterans, giving them the type of assistance which was so helpful to World War II veterans. A grateful country can do no less. The state of our economy prevents our doing more. If certain payments are higher than after World War II, it is only to compensate for the inflation that has taken place while they were serving.

Someone should comment on the basic reason we need this bill. The ghastly struggle in Korea with its ever-lengthening lists of casualties and veterans, with no end in sight, the war that our military men fight well whenever and wherever they are permitted to fight, the war in which the military chance for victory has been blocked by our diplomats time and again. Here in Congress we cannot pass a law to remedy the ghastly administration mistakes that helped bring on the Korean struggle, that have helped to prolong it.

While our men fight on and on we cannot pass a law to prevent further mistakes. We can, however, pass this bill to do justice to those who have done the fighting in this struggle. We can pledge to those who fight there, and to the loved ones of those who gave their lives there, that we will do what Congress can do to so guide our policies that their struggle shall not have been in vain; that the struggle for our security against communism will be carried on to final victory for the forces of freedom.

Mr. RADWAN. Mr. Speaker, as a member of the Veterans' Affairs Committee, I take a great deal of pride in the legislation before us. No legislation is perfect—yet the only objection to the legislation before us has come from some colleges that wanted the enactment of the Springer amendment. While there was merit to the position of these colleges, nevertheless, there is also considerable merit to the position taken by our committee in granting scholarships to the veterans instead of to the colleges. It is aid to the veterans and not Federal aid to education.

I want to take this opportunity to pay my respects to the gentleman from Texas [Mr. TEAGUE] for his great contribution to the legislation before us. The study made by the Teague Committee enabled our Veterans' Committee to eliminate the inequities and the abuses which prevailed under the original GI bill of rights, passed by Congress in 1944. This study, together with the experience under the original GI bill, makes possible this excellent piece of legislation.

Mr. Speaker, no nation can ever turn its back upon those who defend it. We here have not failed. It is this motivating spirit that prevails and underscores the bill we are about to pass, and

I am sure that it will have the unanimous approval of this body.

Notable also is title IV—the unemployment compensation feature of the bill. I think that the gentleman from Wisconsin [Mr. O'Konski] has made a very good explanation of how this particular provision corrects the abuses of the so-called 52-20 Club under the original GI bill. This legislation gives to the States, under State agreements, the authority to make these payments, as agents of the United States, to the veterans in the event of unemployment. Such compensation will be at the rate of \$26 per week and is to be paid for a period of unemployment not to exceed a total of 26 weeks.

The entire bill has my wholehearted support.

Mr. SCUDDER. Mr. Speaker, for some 3 years I have served on the Teague committee investigating the GI training program and have attended many meetings in which we received testimony regarding the training of veterans. We found many abuses, many of which we caused to be eliminated in the system which is presently in effect. The bill, H. R. 7656, was drafted from the knowledge that we gained through this lengthy investigation. It is the product of the thinking of the best authorities available and the result of much hard work on the part of the select committee and the standing committee of the House on Veterans' Affairs. It will go a long way toward assisting the veteran and also providing the maximum good for the money expended.

It is my honest belief that the bill as it was originally passed by the House was a much better bill than the one we now have before us. However, the conference committee had a difficult time in developing this report and meeting the requirements of the other body.

I believe that by and large the committee brought out the best compromise possible and considering the obligation we owe the Korean veterans to see that they are provided with benefits which other veterans have received, I am supporting this legislation and recommend its favorable consideration.

Mr. DOYLE. Mr. Speaker, with pleasure I shall vote to approve the conference report to accompany H. R. 7656 to provide vocational readjustment and to restore lost educational opportunities to certain persons who have served in our Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress. Firstly, however, I desire to congratulate our distinguished colleague, the gentleman from Texas [Mr. TEAGUE], member of the Veterans' Committee for his tireless, patient, vigorous research in an effort to correct maladministration or injustice, and likewise to ferret out and give daylight to every place with reference to the veterans' bill of rights wherever he found dishonesty, cheating, false reporting by individuals or by schools. In fact he has done a whale of a job these last 2 years; we all know it. Not only has he done so, but his subcommittee has also under his unselfish leadership. But then, Mr. Speaker, we must realize that

the gentleman from Texas [Mr. TEAGUE], is a most distinguished veteran in his own right and has the physical mark of valor and daring in behalf of our great Nation stamped indelibly the rest of his natural life. I commend all the members of the Veterans' Committee on both sides of the aisle who have manifestly done the very best that could be done. Not posing as an expert in the field myself, I am pleased to be informed that a large group of school and college educators themselves voted 9 to 1 in favor of direct scholarship payments to our GI's rather than to pay the tuition sums direct to the schools and colleges. This radical departure is an improvement in the previous procedures. For, the committee informs us that about 90 percent of the bad conditions arise from direct payment to other than the GI's will be corrected by direct payment to the GI's themselves. This is a splendid transition. Also I approve the fact that the conferees agree that the GI's should also be entitled to 26 weeks of unemployment insurance or compensation at \$26 a week. Why should they not have it, Mr. Speaker? They were compelled by the needs of our beloved Nation to give up their jobs and employment and get into uniform in behalf of those of us who for one reason or another remained at home. Not only in the present conflict against aggressive communism in and about Korea have these GI's been so ordered, but our Military Establishment is built all over the world more than ever in peacetime on account of the known and realized objectives and intentions of military aggressive Soviet communism to conquer the economy, the politics, and the minds of the people of the world. Again not being an expert in this field myself I am pleased to rely upon the considered opinion and experience of the distinguished members of the Veterans' Committee when they say that this \$26 and 26 weeks basis will obviate the unsavory conditions which came out of the previous bill which allowed \$20 a week for 52 weeks.

And I like the conference report which gives to the schools and colleges where the GI's attend \$1.50 a month toward the college administration expenses for each GI attending that particular college. That's fair and reasonable.

A perusal of the 44-page conference report as I have sat here in my seat on the floor of this great legislative body while the committee members have been discussing it for our benefit clearly shows that the tireless and fact-searching study was made by the conferees of both the Senate and the House and that this conference report embodies a basic premise of intention to be fairer than ever and more promptly to the GI's. This is as it should be.

And now may I be pardoned for a minute? It is to call to have the RECORD show of my long-time and diligent interest in such matters contained in this conference report, as will be revealed by the fact that on January 3, 1951, I filed in this Congress, and it was referred to the Committee on Veterans'

Affairs, H. R. 59. The title of said bill being as follows:

To extend certain benefits now provided by law for veterans of World War II to personnel on active service with the Armed Forces of the United States of America during the military, naval, and air operations in Korea or other places while serving under the flag of the United States of America and the United Nations, or under the flag of the United States of America alone, and for other purposes.

Furthermore, I wish to state that I very much appreciate the courtesy and cooperation extended me by the Veterans' Affairs Committee when I personally appeared before it during the committee hearings on the various bills then pending before it. Now concluding my third term in this House I naturally feel pleased that the visible record of my desire to at all time understand the problems of our distinguished veterans and cooperate in the reduction of these problems to understanding helpful legislation is as clear as crystal and I hardly feel that I need to urge the Members of this distinguished legislative body to vote unanimously in support and in favor of this conference report. Let us make it unanimous, and by thus voting give clear indelible proof to the parents and loved one of our GI boys, both past and present and in the future to be, that we will not willingly or knowingly see their present and future opportunities unnecessarily limited or hampered or removed or destroyed. Nothing less than such an attitude by the American people as represented in terms of legislative action by this Congress should be considered as evidencing our appreciation of the services and sacrifices which have been so freely and frequently given by these GI's, by their loved one, by their dependents, in all brackets of immediate family, relatives and associates.

Mr. ELLIOTT. Mr. Speaker, I approve, and will vote for the conference report on this bill, the Korean Servicemen's Readjustment Act. I hope the House will unanimously approve the bill. The Korean veterans have been very patient. I have felt all along that the Congress has been somewhat slow to provide benefits for our veterans of Korean service. We should unanimously approve this bill, and speed it on the way to the President for his approval.

The Korean war broke out on June 27, 1950. At that time I had the privilege of serving on the House Committee on Veterans' Affairs. On July 10, 1950, I introduced in the House H. R. 9052 to provide benefits for veterans of that conflict. About that time the gentleman from Texas [Mr. TEAGUE] was appointed as chairman of a select committee of the House to conduct a study and investigation of the functions of the Servicemen's Readjustment Act of 1944. He and his committee labored long and uncovered some violent abuses which had grown up under the provisions of the original GI bill, the Servicemen's Readjustment Act of 1944. After the report of that committee came in, the House Committee on Veterans' Affairs began an intensive study of the whole

question of providing benefits for veterans of service since June 27, 1950. The conference report now before us represents the final fulfillment of the labors of the gentleman from Texas [Mr. TEAGUE], as chairman, and of the members of the House select committee to conduct an investigation of abuses under the original GI bill, the Servicemen's Readjustment Act of 1944. It also represents the culmination of the very intensive study given this question by the entire House Committee of Veterans' Affairs and the work of its fine staff.

I want to pay an especial compliment to the gentleman from Texas [Mr. TEAGUE] for the outstanding work that he has done, both in the investigation referred to and in the formulation of the bill before us.

I also want to pay a high compliment to the gentleman from Mississippi [Mr. RANKIN], chairman of the House Committee on Veterans' Affairs. I know of his deep interest in this legislation, and the keen sense of responsibility which he has felt and exhibited in getting it finally approved, both by the conference committee and by the House in these closing days. The gentleman from Mississippi has been particularly interested in veterans' legislation throughout his long service in Congress, and I think he is entitled to a very large measure of credit for the fact that we have the most progressive and enlightened system of veterans' legislation of any country in the entire world.

Mr. Speaker, I had the privilege, I believe, of making the first statement made by any Member of Congress, when hearings were held by the House committee on this most important legislation. At that time, I pointed out that veterans of service since June 27, 1950, were rapidly being demobilized from the service. This program of discharging those whose enlistments have expired has greatly accelerated since that time. Many of these veterans are anxious to take advantage of the opportunity for readjustment, which this bill provides and I am particularly happy that if we pass the bill today, it will go into effect in time to provide educational opportunities for them, beginning with the school terms which start in September of this year.

EDUCATION FOR KOREAN VETERANS

This bill grants 1½ days of education or training for each day of military service on or after June 27, 1950, regardless of where the service was performed. The cut-off date for the eligibility for this training has not yet been set and the bill wisely provides that the cut-off or closing date may be determined by the President or the Congress at some future time, when our international relations will have improved, and when the severe fighting that has been going on in Korea for the past 2 years may have ceased. The bill places a limit of 36 calendar months of education or training for each veteran and it is pointed out that this amount of time is sufficient to complete a 4-year academic college course. However, persons who have served in the military service since June

27, 1950, and who are eligible under the Servicemen's Readjustment Act of 1949, as amended, and who will also be eligible under the conference bill now before us, may take training under both programs for a total period of 48 calendar months.

The program of education or training must be started within 2 years after discharge from the service and completed within 7 years after discharge.

The veteran may make only one change in his program from the time he begins. The reason for this provision is to eliminate one of the abuses under the World War II law, wherein veterans were sometimes encouraged to change the objective of their training several times in order to gain more training, after they had finished training for one objective.

This bill does not provide that the veteran can take recreational courses except in such cases where he submits evidence that those courses will be in good faith helpful to him in pursuit of his present or proposed business or occupation.

This bill does not encourage the formation of schools for profit for the purpose of teaching veterans, as was sometimes true under the World War II law and to prevent this the bill provides that enrollments in schools must include at least one-fourth nonveteran students in each course. It is the purpose of this bill that honorably discharged veterans take their training from, or at reputable schools, whether public or private.

The allowances for education and training as fixed by this bill are \$110 per month for a single veteran enrolled in a full-time institutional course. If the veteran has one dependent, the amount of his allowances is \$135. If he has more than one dependent, his allowance is \$160 a month. If he is taking education or training on a three-fourths time basis, the rates for these classifications are \$80, \$100, and \$120, respectively; and if enrolled on a half-time basis, the payments are \$50, \$60, and \$80 for the three classifications. It will be noted that these allowances are considerably in excess of similar allowances for subsistence under the World War II law. However, it must be pointed out that from this allowance the veteran must pay his own tuition, pay for his books, and meet all other costs connected with his education or training. These figures were arrived at by taking the average rates of similar costs for World War II education and training.

There are those who say that this bill discriminates against the privately owned or endowed college. It will be remembered that in World War II, the Federal Government paid the veteran student a smaller subsistence allowance and in addition, paid to the school the costs of his tuition, books, and other costs incident to his training.

However, the bill before us is not intended to be used as a system of Federal aid to colleges. Rather, it provides for a system of education and training, or aid to the veteran in procuring his education and training. In this respect, I

think the bill is superior to the World War II bill. It provides the allowances mentioned for the veteran, and then leaves with him, in the good old free enterprise, and individual initiative tradition, the responsibility of selecting the school he wants to attend, providing for the cost of his books, his tuition, and his subsistence. He is free to exercise his own judgment and rely upon his own capabilities with regard to these matters, just as does the nonveteran student. This bill will not actually discriminate against the private school. Instead, I should think that the help provided by this bill, would encourage students who desire to do so to attend private schools and colleges, when they, without the help afforded by this bill would not otherwise be able to do so.

The Teague committee found that certain schools and colleges definitely abused the system under which educational training was provided for World War II veterans.

The training of veterans of service since June 27, 1950, or any other period of national emergency in our country's history should not be fixed upon by schools, whether public or private, for their undue enrichment, or their great advantage. Rather, the purpose should be to give the veteran the full benefit of his period of education so as to better fit him for citizenship, the professions, occupations, and trades.

ON-THE-JOB TRAINING

This bill provides that where there is a full-time program of institutional courses, supplemented by on-the-job training, the veteran without dependents receives an allowance of \$90 per month. The veteran with one dependent gets \$110 per month and the veteran with more than one dependent gets \$130 per month.

For apprenticeship, or other on-the-job training, under this bill, the veteran without dependents gets \$75 per month and with one dependent, he gets \$85, and with more than one dependent he gets \$105. These amounts are subject to reductions as the course progresses. There is an over-all monthly ceiling on earnings and allowance of \$310 per month.

ON-THE-FARM TRAINING

This bill, I think, very wisely provides for institutional on the farm training for veterans of service since June 27, 1950. For those who take on the farm training, the veteran without dependents get \$95 per month, the veteran with one dependent \$110, and with more than one dependent \$130. These amounts are subject to reduction as the course progresses.

I have the privilege to represent the Seventh Congressional District of Alabama, which can be accurately termed as a rural district, and it has the largest number of individual farms of any congressional district in the entire State of Alabama. The 1950 Census showed that the Seventh Congressional District had nearly 34,500 farms.

I have been especially interested in this provision of the law, because I have had an opportunity of seeing at first hand the wonderful accomplishments of

veterans of World War II in their on the job training in the Seventh Congressional District of Alabama. I have seen these boys become skilled farmers through the training provided them and I have seen them master new techniques and produce a wealth from the soil of northwest Alabama, which their forebears never dreamed could be done. The effects of this program, as it pertains to World War II veterans, and as it will pertain to veterans of the Korean service, will be immediately felt for a period of at least 50 years, and its intangible and unmeasurable benefits are beyond calculation.

I represent an area that was for 75 years wedded to the production of the basic crops of cotton and corn, the corn being used primarily for the subsistence of the farmer's family and his work stock and the cotton being the primary cash crop. In the last few years, we are coming to realize that the soil of the Seventh Congressional District of Alabama is suited to a diversified agriculture, and if we are to raise the level of income of our farm people, we must throw off the shackles of a one crop economy. We are making progress in the field of new beef cattle production, chicken production, milk production, the production of eggs for market, replanting our eroded hillsides in permanent pasture grasses or pine trees. The program of on the farm training provided by this law will give impetus to the new system of diversification of our agriculture and will make our lands more productive and will raise the income of our people.

We, in the Congress, must not forget that agriculture continues to be our basic industry in this country, and do whatever we will, the strength of our civilization depends primarily upon the goodness and productiveness of our land.

Recent official reports indicate that we in this country are approaching the time in which we must all be conservation minded. The richest country in the world cannot continue to be the richest country in the world, unless it conserves its resources. The heyday of waste of our land and other natural resources has passed. I like to think of the benefits that will accrue from this bill for future generations from the knowledge of conservation, which veterans of Korea will gain and demonstrate as a result of their on-the-farm training under this bill. In speaking of the conservation of natural resources, we must never forget that our human resources are the most important of all. I sometimes think that we are doing less even toward the conservation of our human resources than we are doing toward the conservation of our natural resources. Both programs go hand in hand. Conservation and development of our human resources is the bedrock upon which we achieve proper conservation of our natural resources.

We are living in an age in which the problem of earning a living, whether on the farm, in the mines, or in the factory requires greater skill and training than it has ever required before. We must maintain and increase our standard of living, and at the same time we must

produce crops, goods, manufactured articles and services that the American people need and want at a price which they can afford to pay. The accomplishment of these ends requires that every skill, which the human being in any field can acquire, is needed.

HOUSING

Under this bill, veterans of service since June 27, 1950, will receive the same housing benefits, including guaranty of home loans up to 60 percent with a maximum guaranty of \$7,500, business-loan guaranties and direct loans in rural areas where private financing is not available, all at interest rates not to exceed 4 percent, as are provided for veterans of World War II.

UNEMPLOYMENT COMPENSATION

This bill authorized payments of unemployment compensation of \$26 per week for 26 weeks, under the laws of the several States, and under the administration of the Secretary of Labor.

I understand that the conferees arrived at the \$26 per week by averaging the benefits now available in the several States, and payable as compensation for unemployment. Though employment is now generally high, there are many rural areas of the country, such as certain counties of the Seventh Congressional District of Alabama, where unemployment is now at a rather high figure. This bill will help cushion the veteran against complete loss in earnings, while he seeks employment.

MUSTERING-OUT PAY

This bill provides for mustering-out payments for all veterans of service since June 27, 1950, at the rate of \$100 for less than 60 days' service, \$200 for more than 60 days' service, and \$300 for service overseas. This benefit goes to all honorably discharged veterans up to and including the rank of captain in the Army and Air Force, and lieutenant, senior grade, in the Navy. These are the identical benefits provided for veterans of World War II.

This job of providing educational, vocational, and on-the-farm training for our returning Korean veterans should not be longer delayed.

Mr. DONOHUE. Mr. Speaker, I earnestly urge that we immediately accept this conference report to extend to our Korean war veterans all the benefits they so justly deserve.

As I stated on the floor of this House on June 5, 1952, when we were considering the original measure action has already been too long delayed in affording these veterans and their families the entitlements they merit on the same terms as the World War II participants.

As I also said at that time, no piece of legislation, unfortunately, can be perfect. It appears that against my own personal desires and exhortations the Congress is about to suspend legislative operations for perhaps the rest of this year so that it is imperative to pass this measure now in order that these gallant fighting men of the Korean campaign may know what benefits they are going to have and with their families make plans for return to the normal pursuits of civilian life.

There has been a real effort made in the preparation of this measure to elimi-

nate some of the abuses that certain selfish groups and individuals imposed on the previous bill. In the zeal to close all such loopholes it well may be that inequities against those of honest purpose and design will develop and are inherent in the bill as now constituted.

If and when concrete instances of injustice are demonstrated I shall, of course, be in favor of correcting them by appropriate amendment.

The time scheduled for adjournment, unfortunately, is less than 48 hours away and so if we are going to have any legislation at all it must be accomplished in these last few minutes.

Let us, therefore, by unanimous action restore to these veterans the lost educational opportunities and extend the home, farm, and business loan guaranties, the unemployment compensation benefits, vocational readjustment assistance, mustering-out payments, and the other provisions of the bill fundamentally designed to help speed the quick return and absorption of our Korean military personnel back into American civilian life.

Mr. RANKIN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

Mr. TEAGUE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 322, nays 1, not voting 107, as follows:

[Roll No. 146]

YEAS—322

Aandahl	Busbey	Feighan
Abbitt	Bush	Fernandez
Adair	Byrnes	Flood
Addonizio	Camp	Fogarty
Albert	Canfield	Forand
Allen, Calif.	Cannon	Ford
Allen, Ill.	Carnahan	Frazier
Andersen,	Carrigg	Fulton
H. Carl	Case	Gamble
Anderson, Calif.	Celler	Garmatz
Andresen,	Chatham	Gary
August H.	Chelf	Gathings
Andrews	Chenoweth	Gavin
Angell	Chiperfield	Golden
Arends	Chudoff	Goodwin
Armstrong	Church	Gordon
Aspinall	Clemente	Gore
Auchincloss	Clevenger	Graham
Ayres	Cole, Kans.	Granahan
Baker	Colmer	Granger
Bakewell	Cooley	Grant
Barden	Corbett	Green
Baring	Cotton	Greenwood
Barrett	Cox	Gregory
Bates, Mass.	Crawford	Gross
Battle	Crosser	Gwinn
Beamer	Crumpacker	Hagen
Belcher	Cunningham	Hale
Bennett, Fla.	Dague	Hall,
Bennett, Mich.	Davis, Ga.	Leonard W.
Berry	Davis, Wis.	Halleck
Betts	Deane	Hand
Bishop	DeGraffenried	Hardy
Blatnik	Delaney	Harris
Boggs, Del.	Dempsey	Harrison, Nebr.
Boggs, La.	Denny	Harrison, Va.
Bolling	Denton	Harrison, Wyo.
Bolton	Devereux	Hart
Bonner	D'Ewart	Harvey
Bosone	Dingell	Havener
Bow	Dollinger	Hays, Ark.
Boykin	Dondero	Hays, Ohio
Bramblett	Donohue	Hedrick
Bray	Donovan	Heffernan
Brown, Ga.	Dorn	Herlong
Brownson	Doughton	Hess
Bryson	Doyle	Hill
Buchanan	Eberhart	Hinshaw
Budge	Elliott	Hoeven
Burleson	Ellsworth	Holifield
Burnside	Engle	Holmes
Burton	Fallon	Horan

Howell	Miller, Calif.	Scott, Hardie
Hull	Miller, Md.	Scrivner
Hunter	Miller, Nebr.	Scudder
Ikard	Miller, N. Y.	Secrest
Irving	Mills	Seely-Brown
Jackson, Calif.	Morgan	Shafer
Jackson, Wash.	Multer	Shelley
James	Mumma	Sheppard
Jarman	Murdock	Sieminski
Javits	Murphy	Simpson, Ill.
Jenison	Murray	Simpson, Pa.
Jenkins	Nicholson	Sittler
Jensen	Norblad	Smith, Kans.
Jones, Ala.	Norrell	Smith, Miss.
Jones, Mo.	O'Brien, Ill.	Smith, Va.
Jones,	O'Brien, N. Y.	Smith, Wis.
Hamilton C.	O'Konski	Spence
Jones,	O'Neill	Springer
Woodrow W.	Osmer	Staggers
Karsten, Mo.	Ostertag	Stanley
Kearns	O'Toole	Steed
Keating	Passman	Stockman
Kee	Patten	Talle
Kelley, Pa.	Patterson	Teague
Kelly, N. Y.	Perkins	Thomas
Kerr	Philbin	Thompson,
Kersten, Wls.	Phillips	Mich.
Kilday	Polk	Thornberry
King, Calif.	Poulson	Tollefson
Kirwan	Preston	Trimble
Lane	Priest	Vail
Lanham	Prouty	Van Pelt
Lantaff	Rabaut	Van Zandt
LeCompte	Radwan	Velde
Lind	Rains	Vorys
Lovre	Ramsay	Walter
Lucas	Rankin	Weichel
McCarthy	Reams	Werdell
McCormack	Reed, Ill.	Wharton
McCulloch	Reed, N. Y.	Wheeler
McDonough	Rees, Kans.	Whitten
McGrath	Rhodes	Widnall
McGuire	Ribicoff	Wier
McIntire	Riehlman	Wigglesworth
McMullen	Riley	Williams, Miss.
McVey	Rivers	Williams, N. Y.
Machrowicz	Roberts	Wilson, Ind.
Mack, Ill.	Rodino	Wilson, Tex.
Mack, Wash.	Rogers, Colo.	Winstead
Madden	Rogers, Fla.	Withrow
Magee	Rogers, Mass.	Wolverton
Mahon	Rogers, Tex.	Wood, Ga.
Mansfield	Rooney	Wood, Idaho
Marshall	Roosevelt	Yates
Martin, Iowa	Ross	Yorty
Mason	Sadlak	Zablocki
Meador	Saylor	
Morrow	Schenck	

NAYS—1

Taber

NOT VOTING—107

Abernethy	George	Moulder
Allen, La.	Hall	Nelson
Anfuso	Edwin Arthur	O'Brien, Mich.
Bailey	Harden	O'Hara
Bates, Ky.	Hébert	Patman
Beall	Heller	Poage
Beckworth	Herter	Potter
Bender	Heselton	Powell
Bentsen	Hillings	Price
Blackney	Hoffman, Ill.	Redden
Brehm	Hoffman, Mich.	Reece, Tenn.
Brooks	Hope	Regan
Brown, Ohio	Johnson	Richards
Buckley	Jonas	Robeson
Buffett	Judd	Sabath
Burdick	Kean	St. George
Butler	Kearney	Sasscer
Carlyle	Kennedy	Scott,
Cole, N. Y.	Keogh	Hugh D., Jr.
Combs	Kilburn	Sheehan.
Cooper	King, Pa.	Short
Coudert	Klein	Sikes
Curtis, Mo.	Kluczynski	Stigler
Curtis, Nebr.	Larcade	Sutton
Davis, Tenn.	Latham	Tackett
Dawson	Lesinski	Taylor
Dolliver	Lyle	Thompson, Tex.
Durham	McConnell	Vinson
Eaton	McGregor	Vursell
Elston	McKinnon	Watts
Evins	McMillan	Welch
Fenton	Martin, Mass.	Wickersham
Fine	Mitchell	Willis
Fisher	Morano	Wolcott
Forrester	Morris	Woodruff
Fugate	Morrison	
Furcolo	Morton	

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Redden with Mr. Brown of Ohio.
 Mr. Fugate with Mr. Cole of New York.
 Mr. Bentsen with Mr. Beall.
 Mr. Price with Mr. Blackney.
 Mr. Forrester with Mr. Wolcott.
 Mr. Keogh with Mr. Taylor.
 Mr. Klein with Mr. Sheehan.
 Mr. Anfuso with Mr. Short.
 Mr. Heller with Mrs. St. George.
 Mr. Powell with Mr. Reece of Tennessee.
 Mr. Hébert with Mr. Potter.
 Mr. Buckley with Mr. Woodruff.
 Mr. Kennedy with Mr. Latham.
 Mr. Bates of Kentucky with Mr. Kilburn.
 Mr. Kluczynski with Mr. Judd.
 Mr. Sabath with Mr. Bender.
 Mr. Sasscer with Mr. Hoffman of Michigan.
 Mr. Sikes with Mr. Hillings.
 Mr. Robeson with Mr. Herter.
 Mr. Lesinski with Mr. George.
 Mr. Larcade with Mr. Fenton.
 Mr. Cooper with Mr. Elston.
 Mr. Dawson with Mr. Coudert.
 Mr. Evins, with Mr. Vursell.
 Mr. Fine with Mr. Hugh D. Scott, Jr.
 Mr. Furcolo with Mr. Edwin Arthur Hall.
 Mr. McKinnon with Mr. McConnell.
 Mr. Mitchell with Mr. McGregor.
 Mr. Abernethy with Mr. Johnson.
 Mr. McMillan with Mr. Jonas.
 Mr. Morris with Mr. Kean.
 Mr. Morrison with Mr. Kearney.
 Mr. Moulder with Mr. Kling of Pennsylvania.
 Mr. Patman with Mr. Hope.
 Mr. Vinson with Mr. Hoffman of Illinois.
 Mr. Welch with Mr. Heselton.
 Mr. Wickersham with Mr. Nelson.
 Mr. Willis with Mr. Morton.
 Mr. Watts with Mr. Butler.
 Mr. O'Brien of Michigan with Mr. Dolliver.
 Mr. Davis of Tennessee with Mrs. Harden.
 Mr. Allen of Louisiana with Mr. Curtis of Nebraska.
 Mr. Lyle with Mr. Burdick.
 Mr. Fisher with Mr. Brehm.
 Mr. Durham with Mr. Buffett.
 Mr. Bailey with Mr. Curtis of Missouri.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENT OF CERTAIN HOUSE RESOLUTIONS CHANGING NAME OF COMMITTEE

Mr. HOLIFIELD. Mr. Speaker, I offer a resolution (H. Res. 737) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That House Resolutions 124 and 623, Eighty-second Congress, be, and they are hereby, amended by striking out "Committee on Expenditures in the Executive Departments" where it appears in the said resolutions and inserting in lieu thereof "Committee on Government Operations."

The resolution was agreed to.

A motion to reconsider was laid on the table.

CORRECTION OF VOTE

Mr. HOFFMAN of Michigan. Mr. Speaker, on roll call No. 131 I am not recorded as having voted. I was present and voted "nay." I ask unanimous consent that the RECORD and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, on roll call No. 133, I am recorded as voting "aye." I voted "no." I ask unanimous consent that the RECORD and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Landers, its enrolling clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 6945. An act for the relief of Katharina Hoffman;

H. R. 7095. An act for the relief of Ruth Ann Holecek;

H. R. 8052. An act for the relief of Ai-Ling Tung Tsou and her son, Moody Tsou;

H. R. 8315. An act granting the consent of Congress to a supplemental compact or agreement between the State of New Jersey and the Commonwealth of Pennsylvania concerning the Delaware River Port Authority, formerly the Delaware River Joint Commission, and for other purposes; and

H. R. 8316. An act granting the consent of Congress to a supplemental compact or agreement between the State of New Jersey and the Commonwealth of Pennsylvania, authorizing the Delaware River Joint Commission to construct, finance, operate, maintain and own a vehicular tunnel or tunnels under, or an additional bridge across, the Delaware River and defining certain functions, powers, and duties of said Commission, and for other purposes.

The message also announced that the Senate had passed bills, concurrent resolutions, and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 107. An act to promote the rehabilitation of the Papago Tribe of Indians and a better utilization of the resources of the Papago Tribe, and for other purposes;

S. 142. An act for the relief of Vito Rizzli;

S. 525. An act for the relief of Jacob Gitlin;

S. 624. An act for the relief of Hajna Sepsi;

S. 697. An act for the relief of Teh-Jen Lee;

S. 960. An act to authorize an agreement between the United States and Mexico for the joint operation and maintenance by the International Boundary and Water Commission, United States and Mexico, of the Nogales sanitation project, and for other purposes;

S. 1126. An act for the relief of Vera Sarah Keenan;

S. 1238. An act authorizing the Secretary of the Interior to issue a patent in fee to Eileen Ida Sanders;

S. 1358. An act for the relief of George Prokofieff de Seversky and Isabelle Prokofieff de Seversky;

S. 1393. An act to amend section 67 of the National Defense Act, as amended, to provide for an active-duty status for all United States property and fiscal officers, and for other purposes;

S. 1433. An act for the relief of Malica Macesich;

S. 1588. An act to amend the Air Commerce Act of 1926, as amended;

S. 1596. An act for the relief of Phed Vosnlacos;

S. 1613. An act for the relief of Lian-Tong Wen and Klm Fong Chen;

S. 1716. An act for the relief of Sister Odilia, also known as Marla Hutter;

S. 1780. An act for the relief of Dr. Alexander D. Moruzli;

S. 1816. An act for the relief of Shizu Hasegawa Crockett;

S. 1829. An act to repeal the provision of the act of July 1, 1902 (32 Stat. 662), as amended, relating to pay of civilian employees of the Navy Department appointed for duty beyond the continental limits of the United States and in Alaska;

S. 1916. An act for the relief of Olga Madson, a minor;

S. 1927. An act for the relief of Francesco Cracchiolo;

S. 1966. An act for the relief of Michael Cosmo Zullo;

S. 2008. An act to permit payment of certain cost-of-living allowances outside the continental United States at rates in excess of 25 percent of the rate of basic compensation;

S. 2046. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Llewellyn B. Griffith for retirement as an emergency officer under the provisions of the Emergency Officers Retirement Act or as a disabled officer of the Regular Army of the United States;

S. 2125. An act for the relief of Margit Stolz Bohm and Klaus Seigfried Bohm;

S. 2185. An act for the relief of Annemarie E. Peterson and Wilhelm Ernst Geisel;

S. 2212. An act for the relief of Charles Michell;

S. 2262. An act to validate certain payments for accrued leave made to members of the Armed Forces who accepted discharges for the purpose of immediate reenlistment for an indefinite period;

S. 2291. An act to amend the laws of the District of Columbia to regulate the practice of pharmacy and the sale of poisons and for other purposes, as enacted by Congress May 7, 1906, and as amended February 27, 1907, and as amended March 4, 1927 (D. C. Code of 1929, title 20, sec. 2-601, and the following);

S. 2303. An act for the relief of Miki Takano;

S. 2311. An act for the relief of Marie-Antoinette Kerssenbrock;

S. 2332. An act for the relief of Fumiko Ito Stewart;

S. 2364. An act to authorize the Interstate Commerce Commission to revoke or amend, under certain conditions, water carrier certificates and permits;

S. 2372. An act for the relief of Sizuko Kato and her minor child, Meechiko;

S. 2373. An act for the relief of the Reverend A. E. Smith;

S. 2407. An act authorizing the Secretary of the Interior to issue a patent in fee to George Scott;

S. 2439. An act for the relief of the Federal Republic of Germany;

S. 2453. An act authorizing the Secretary of the Interior to issue a patent in fee to Donald B. Billedeaux;

S. 2473. An act for the relief of Luciano Pellegrini;

S. 2479. An act for the relief of Mary Bouessa Deeb;

S. 2487. An act to permit review of decisions of Government contracting officers involving questions of fact arising under Government contracts in cases other than those in which fraud is alleged, and for other purposes;

S. 2577. An act for the relief of Mikio Abe;

S. 2584. An act to provide for the establishment of a Veterans' Administration domiciliary facility at Fort Logan, Colo.;

S. 2657. An act to amend the act of June 28, 1944 (ch. 294, title III, 58 Stat. 414), and the act of February 14, 1903 (ch. 552, 32 Stat. 825);

S. 2662. An act for the relief of Sadako Ishiguro;

S. 2681. An act for the relief of Carlotta Olimpia Forghone;

S. 2763. An act for the relief of Harry Ray Smith;

S. 2810. An act authorizing the Secretary of the Interior to issue a patent in fee to Winona Yellowtail;

S. 2815. An act to amend section 17 of the Federal Airport Act, as amended, so as to extend and broaden the program for reimbursement of the cost of rehabilitation and repair of public airports damaged by Federal agencies, and for other purposes;

S. 2869. An act for the relief of Yuriko Nishimoto;

S. 2918. An act to prohibit the introduction or movement in interstate commerce of articles of wearing apparel and fabrics which are so highly flammable as to be dangerous when worn by individuals, and for other purposes;

S. 2989. An act for the relief of Commander John J. O'Donnell, United States Naval Reserve;

S. 3027. An act to regulate the election of delegates representing the District of Columbia to national political conventions, and for other purposes;

S. 3050. An act to authorize the payment of certain claims for damage to private property, loss of wages, personal injuries, and death, arising out of noncombat activities of the Army;

S. 3161. An act to amend part I of the Interstate Commerce Act to provide for filing of equipment trust agreements and other documents evidencing or relating to the lease, mortgage, conditional sale, or bailment of railroad equipment;

S. 3162. An act for the relief of Andrew Alexander Nara and Mary Kimberly Nara;

S. 3193. An act for the relief of Robert Royce Farkas;

S. 3248. An act for the relief of Mekaru Tatsubo;

S. 3263. An act relating to the rate of postage on certain publications entered as second-class matter prior to June 28, 1932;

S. 3277. An act for the relief of Paul D. Banning, Chief Disbursing Officer, Treasury Department, and for other purposes;

S. 3280. An act for the relief of Sadie Badir Ellis Nassif-Azar and George Badir Ellis Nassif-Azar;

S. 3281. An act for the relief of Chiu But Yue;

S. 3284. An act for the relief of Beverly Jane Ruffin;

S. 3303. An act to incorporate the National Conference on Citizenship, and for other purposes;

S. 3333. An act to vest title in the United States to certain lands and interests in lands of the Shoshone and Arapaho Indian Tribes of the Wind River Reservation and to provide compensation therefor and for other purposes;

S. 3343. An act for the relief of Hannah Crumet;

S. 3351. An act to establish a policy with respect to the granting of special exemptions to organizations and corporations from taxes imposed by the laws of the District of Columbia;

S. 3356. An act for the relief of Homer C. Boozer, Terry Davis, Leopold A. Fraczkowski, Earl W. Keating, and Charles A. Davis;

S. 3435. An act to authorize the Postmaster General to provide for the use in first- and second-class post offices of special canceling stamps or postmarking dies in order to encourage voting in general elections;

S. Con. Res. 88. Concurrent resolution to make a change in the enrollment of S. 2938, to amend the Federal Reserve Act;

S. Con. Res. 89. Concurrent resolution to print proceedings at the presentation of the bronze replica of the Declaration of Independence;

S. J. Res. 143. Joint resolution to authorize the appointment of a Special Investigator and not to exceed five deputies with power to investigate improper and illegal conduct in the transaction of the business of the Government of the United States, and to prosecute such conduct where found; and

S. J. Res. 165. Joint resolution to continue in effect certain statutory provisions for the duration of the national emergency proclaimed December 16, 1950, and six months

thereafter, notwithstanding the termination of the state of war.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3589) to amend title 17 of the United States Code entitled "Copyrights" with respect to recording and performing rights in literary works.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 6163. An act to provide the basis for authorization of irrigation works in connection with Chief Joseph Dam, to provide for financial assistance thereto from power revenues, and for other purposes;

H. R. 8122. An act to continue the existing method of computing parity prices for basic agricultural commodities, and for other purposes; and

H. R. 8271. An act to amend section 457 of the Internal Revenue Code.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 1999. An act authorizing and directing the Secretary of the Treasury to enter into an agreement with any State, Territory, or possession of the United States, or any political subdivision thereof, to provide that the head of each department or agency of the United States shall comply with the requirements of any statute of such State, Territory, possession, or subdivision, which imposes upon employers generally the duty of withholding sums from the compensation of employees.

AMENDING FEDERAL PROPERTY ADMINISTRATIVE SERVICES ACT OF 1949, AS AMENDED

Mr. HARDY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5350) to amend further the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 2, after "laws", insert "because such lands are not substantially changed in character by improvements."

Page 2, line 10, after "(2)", insert "to the extent that payment is not made or credit allowed therefor."

Page 2, strike out line 11, and insert: "(d) By deleting the figure '\$75,000,000' in the third sentence of section 109 (a) and inserting in lieu thereof the figure '\$150,000,000'."

Page 3, line 19, after "be", insert "prepared and submitted to the appropriate committees of Congress and a copy."

Page 4, line 9, after "Administration," insert "Accounting for the fund shall be maintained on the accrual method and financial reports shall be prepared on the basis of such accounting."

Page 4, line 11, after "required", insert "but not to exceed the amount of \$10,000,000."

Page 4, line 12, strike out "buildings" and insert "buildings."

VETERANS' READJUSTMENT ACT OF 1952—CONFERENCE REPORT

Mr. HILL. Mr. President, I submit the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7656) to provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, and for other purposes. I ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see pp. 9354-9369 of House proceedings of July 3, 1952.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. HILL. The conference report is unanimous, signed by all the conferees, and has just been adopted by the House of Representatives by a vote of 321 to 1.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

NORTH DAKOTA HIGHWAY SAFETY CONFERENCE

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD two letters which I inadvertently omitted in connection with an insertion I made in the RECORD yesterday.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

LEGISLATIVE RESEARCH COMMITTEE,
Bismarck, N. Dak., June 13, 1952.

Mr. PYKE JOHNSON,
President, Automotive Safety
Foundation, Washington, D. C.

DEAR Mr. JOHNSON: Our Governor's highway safety conference held at Bismarck on May 12 and 13 adopted the attached resolution.

In order to carry forward the purpose of this resolution it is the intent of the legislative research committee to prepare an interim report that can furnish the basis for legislative action at the next general assembly.

The objectives of the resolution have been discussed with various members of your staff, as well as the director of the State and local officials' national highway safety committee.

The purpose of this letter is to request that the foundation make available to the committee the services of Norman Damon, vice president, in charge of safety, to assist us in the development of this interim report.

Yours very truly,

ROY A. HOLAND, Chairman.

AUTOMOTIVE SAFETY FOUNDATION,
Washington, D. C., July 2, 1952.

Mr. ROY A. HOLAND,
Chairman, Legislative Research
Committee, Bismarck, N. Dak.

DEAR Mr. HOLAND: In response to your request of June 13 for Norman Damon's

services in the development of an interim legislative safety report, I am glad to advise that Mr. Damon is available. He now plans to be in Bismarck on Tuesday, July 15, at which time he will, no doubt, discuss with you, your staff, and others the necessary steps in the formulation of the report to which you refer.

We have always felt that the leadership for responsibility of this kind is one for people of the State through their legislature, and your committee's decision to carry this study forward is one that certainly is welcome here, and we want to do everything possible to assist.

Sincerely,

PYKE JOHNSON, President.

COMPENSATION OF INDIANS FOR TRAVEL EXPENSES

Mr. LANGER. Mr. President, on various occasions I have called attention of the Senate to the fact that of all the treaties ever made with Indians, not a single one has ever been kept. As a matter of fact, the Indians today are worse off than when we took them over a long time ago.

In that connection, I wish to say that I agree with a letter that was written by an Indian tribe. I ask unanimous consent that I may have the letter printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Re S. 2338, H. R. 5857.

SENATE COMMITTEE ON INTERIOR AND
INSULAR AFFAIRS,
Senate Office Building,
Washington, D. C.

GENTLEMEN: S. 2338, "To authorize pay to delegates representing Indians of California from funds in the Treasury of the United States to the credit of the Indians of California," is important to the Indians and merits your consideration.

The fund is the result of efforts of a few of the Indians, beginning back in 1920, who insisted the Indians of California had never been compensated for their rights in land within the State. It was their united persistence that culminated in a jurisdictional act to determine the amount due that resulted in judgment of more than \$5,000,000.

At the time Congress appropriated, to satisfy the judgment, Senator ELMER THOMAS told his Committee on Senate Appropriations:

"I am free to say that Mr. Collett has been here for many years and has done a vast amount of work. Had it not been for Mr. Collett and his associates, I am doubtful if the Indians of California would have gotten a penny."

The work and necessary expense money were furnished by Indians, assisted by a few friends in and out of Congress. The judgment was for all of the Indians of California. The work, through many years, by delegates who have journeyed to Washington on many occasions, should not now find it necessary for a few Indians, by personal donations, to finance the official expenses of the delegates. They should be able to make occasional trips to Washington to represent their people and be paid from funds now in the Treasury of the United States to the credit of the Indians of California.

Authority for delegates to be paid from funds in the Treasury of the United States to the credit of the Indians of California would mean that all enrolled Indians who share and share alike in benefits secured for them and should also share and share alike in necessary expenses of their delegates. The

cost under these conditions would be divided equally among all enrollees and would amount to only a few cents for each such enrollee.

The report of the Secretary of the Interior on S. 2338 gives reasons why he recommended that the bill be not enacted. His prime reason is embodied in the following words:

"Any part of the funds remaining after such distribution (presently authorized per capita payments) should be considered in connection with the general plan to facilitate termination of Federal supervision over all Indians in California."

This quotation refers to S. 3005 which is entitled "A bill to facilitate the termination of Federal supervision over Indian affairs in California."

The bill S. 2338 is supported by cogent evidence as to why the delegates representing Indians of California should have congressional authority to use some of the funds in the Treasury of the United States to the credit of the Indians of California for their official expenses. We urge that the bill to facilitate the termination of Federal supervision over Indian affairs in California and other bills affecting the rights of the Indians of California be not enacted without the delegates having had the right and privilege to be heard. Delegates are here to present the views of Indians of California on that and several other bills relating to their welfare. Bills affecting the rights of Indian delegates and their people are very vital and their delegates should be heard.

It has been asserted that the provisions of S. 2338 would encourage a large number of delegates who might come to Washington in the hope of being paid. This is an exaggeration beyond all reason. However, we here offer limiting amendments to further safeguard the funds of the Indians of California.

On page 2, line 11, strike the words "any person" and insert in lieu thereof "any enrollee."

On page 2, line 15, after the words "District of Columbia", insert the following: "Provided, That not more than seven delegates shall be entitled to per diem, compensation, and other expenses within any one calendar year, unless otherwise authorized by a committee of Congress in charge of pending legislation that affects Indians of California. The Secretary shall recognize such delegates in the order they shall have been selected and qualified: *Provided further*, That after the date of the approval of this act, not more than three such delegates shall be representative of any tribe, band, or organization. The stay of delegates within the District of Columbia shall not exceed 60 days on any occasion."

As enrollees and delegates, we believe enrollees should be authorized to choose any person they believe best qualified to represent them. In the several years past, different organizations of the Indians of California, consisting of enrollees, have seen fit to choose one or more persons who was not an enrollee to assist them in their activities in California and here. This has been true of the Federated Indians of California, the Mission Indian Federation, and the Indians of California, Inc. On account of objections that might be offered to any person serving as a delegate of enrolled Indians, Mr. Collett has suggested that there be stricken from the bill "any person" and in place of those words there be inserted the words "any enrollee." We believe the original wording was well justified, but in the interest of speedy enactment of this bill, we agree to the proposed change.

In these days of determined effort by the Congress, the Bureau of Indian Affairs, and others to free the Indians of California from Federal supervision, we are confident Indian delegates should appear before your commit-

tee, officials of the Indian Bureau, the Department of the Interior, and Members of Congress, and that funds in the Treasury of the United States to the credit of the Indians of California should be used for the official expenses of the delegates.

For these reasons we earnestly petition your committee and Congress to enact the provisions of S. 2338, together with the amendments suggested.

With the adoption of the suggested amendments there should be no objection to this proposed legislation. Indian delegates from Oregon and over a period of many years have been paid for their official expenses from Tribal funds to come to Washington, D. C. The funds in the Treasury of the United States to the credit of the Indians of California are tantamount to tribal funds. Authority for the use of some of these funds for the purposes of the Indian Bureau to revise the roll of the Indians of California have been authorized by Congress without any specific authority from the Indians. It is, however, an estimated fact recognized by the courts that Congress has plenary authority to direct the use of tribal funds for the benefit of the Indians.

Authority for the payment of the official expenses of delegates is equally important to authority to pay the expenses of agents of the Indian Bureau. We believe the authority for expenses of the delegates is more important. The rights of every tribe, band, and individual Indian of California is in jeopardy.

In this connection it should be noted that under date of June 1949 the Acting Commissioner of Indian Affairs, Mr. Utz, recommended to the Senate Committee on Appropriations a proposed amendment to read as follows:

"For the payment from and after January 1, 1946, of a per diem (not exceeding \$10) in lieu of subsistence, and of other expenses to Indian delegates representing Indians of California while in Washington, D. C., while enroute from their homes and return, and while away from their homes in California engaged in receiving instruction from or making reports to the Indians whom they represent, \$50,000 to remain available until expended, payable from funds in the United States Treasury to the credit of the Indians of California: *Provided*, That the payment of other expenses shall include transportation based on the cost of railroad and Pullman fares, stenographic services, mimeographing, printing, postage, telephone, and telegraph charges and stationery, except that any such payment shall be based upon the presentation of receipts satisfactory to the Secretary of the Interior: *Provided further*, That no delegate shall be paid a per diem for more than 180 days in any one calendar year nor receive reimbursement for expenses, other than transportation, in excess of \$100 in any one calendar year: *Provided further*, That payments under this authorization shall be made only to such Indians who upon a satisfactory showing to the Secretary of the Interior are determined by him to be delegates representing the Indians of California, but not more than seven persons shall be determined to be delegates for any one calendar year."

Senator Thomas concluded that the proposed amendment was in the nature of legislation and could not properly under the Senate rules be made a part of an appropriation bill. He advised that appropriate language for the purpose should be undertaken as an independent or a part of a bill that dealt exclusively with legislation.

S. 2338 embodies substantially the language suggested by the Acting Commissioner and is in conformity with the suggestion made by Senator Thomas.

The proposed legislation is justly retroactive beginning with January 1, 1946. The delegates who have appeared in Washing-

ton, D. C., heretofore have had to obtain from a few of their people contributions, in the form of loans and otherwise, to meet their expenses. It has always been with the understanding that the delegate if and when paid would reimburse his financial sponsors. Books have been kept as to the amounts furnished.

The provisions of S. 2338 apply equally to the delegates that might be sponsored by any group or organization of enrollees.

Respectfully submitted.

ELLEN NORRIS,
ROBERT CROMWELL,
LINWOOD WARD,

Delegates Representing Indians of California.

F. G. COLLETT,
Executive Representative, Indians of California, Inc.

CALL OF THE CALENDAR

Mr. McFARLAND. Mr. President, I stated earlier today that we would try to have a call of the calendar. Before doing so, I think it will be necessary to have a quorum called, so that all Senators may have notice. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. McFARLAND. Mr. President, I ask unanimous consent that the order for the quorum call be vacated, and that further proceedings under the call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONVEYANCE OF LANDS TO POTTER COUNTY, TEX.

Mr. MORSE. Mr. President, I am engaged in a conference committee, and I should like to make a very brief statement on House bill 5567, which, as I understand, will be on the calendar later this afternoon.

The question has been asked as to whether or not my objection to this bill will prevail. I wish to explain why my objection to the bill will not prevail.

This is a bill to provide for the conveyance to Potter County, Tex., of certain surplus lands located at the Veterans' Administration hospital near Amarillo, Tex. I wish the record to show that the facts as they have been represented to me in regard to this bill, in my judgment, place this case on all fours with the facts in the Kentucky case of some 2 years ago, in which land was turned over to the Federal Government for a specific purpose. When it was no longer needed for that specific purpose it was sought by Kentucky to be used for 4-H Club purposes. I took the position then, as I have consistently taken the position since, that when land is given to the Federal Government for a specific purpose and it is no longer needed by the Federal Government for that purpose, the State under those circumstances is entitled to a return of the land.

In this particular case the principle is the same, although the facts vary to this extent from the Kentucky case: In this case the land was made available to the

Federal Government in the first instance by the American Legion in this area, in order to have a veterans' hospital built. The land was made available to the Federal Government for \$3. Entirely too much land was made available for the use for veterans' hospital purposes so the part of the land referred to in the bill is, at the request of the Veterans' Administration, being made available for use for 4-H Club purposes.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield so that I may ask unanimous consent for the present consideration of the bill referred to?

Mr. MORSE. I wish to conclude my statement.

I think that because of the type of precedent which I have already applied in the Kentucky case, this case is on all fours with it, and the Morse formula does not apply.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of House bill 5567.

The VICE PRESIDENT. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5567) to provide for the conveyance to Potter County, Tex., of certain surplus lands located at the Veterans' Administration hospital near Amarillo.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

THE CALENDAR

Mr. McFARLAND. Mr. President, I gave notice yesterday that there would be a call of the calendar today. I ask unanimous consent that the calendar be called for unobjected-to bills, beginning where the last call of the calendar left off.

The VICE PRESIDENT. Without objection, it is so ordered.

The clerk will state the first bill on the calendar beginning where the call left off yesterday.

Mr. McFARLAND. Mr. President, there are one or two bills on the calendar in which the distinguished Senator from Pennsylvania [Mr. MARTIN] is interested. He is engaged in a conference committee. I ask unanimous consent that the bills in which he is interested be called up out of order.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. HENDRICKSON. Mr. President, there are two bills in that category.

Mr. McFARLAND. Will the Senator from Pennsylvania indicate which bills they are?

SUPPLEMENTAL COMPACT BETWEEN NEW JERSEY AND PENNSYLVANIA

Mr. MARTIN. Mr. President, the majority leader is very kind. We are all working to facilitate the business of the Senate.

Public Law 550 - 82d Congress
Chapter 875 - 2d Session
H. R. 7656

AN ACT

All 66 Stat. 663.

To provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Veterans' Re-
adjustment
Assistance Act
of 1952.

TITLE I—SHORT TITLE AND STATEMENT OF POLICY

SHORT TITLE

SEC. 101. This Act may be cited as the "Veterans' Readjustment Assistance Act of 1952".

STATEMENT OF POLICY

SEC. 102. The Congress of the United States hereby declares that the veterans' education and training program created by this Act is for the purpose of providing vocational readjustment and restoring lost educational opportunities to those service men and women whose educational or vocational ambitions have been interrupted or impeded by reason of active service in the Armed Forces during a period of national emergency and for the purpose of aiding such persons in attaining the educational and training status which they might normally have aspired to and obtained had they not served their country; and that the home, farm, and business-loan benefits, the unemployment compensation benefits, the mustering out payments, and the employment assistance provided for by this Act are for the purpose of assisting in the readjustment of such persons from military to civilian life.

TITLE II—EDUCATIONAL AND VOCATIONAL
ASSISTANCE

PART I—DEFINITIONS

SEC. 201. For the purposes of this title—

(1) the term "basic service period" means the period beginning on June 27, 1950, and ending on such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress;

(2) the term "eligible veteran" means any person who is not in the active service in the Armed Forces and who—

(A) has served in the active service in the Armed Forces at any time during the basic service period,

(B) has been discharged or released from such active service under conditions other than dishonorable, and

(C) has served in the active service in the Armed Forces for ninety days or more (exclusive of any period he was assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians, or as a cadet or midshipman at one of the service academies), or has been discharged or released from active service by reason of an actual service-incurred injury or disability;

(3) the term "program of education or training" means any single unit course or subject, any curriculum, or any combination of unit courses or subjects, which is generally accepted as necessary to fulfill

requirements for the attainment of a predetermined and identified educational, professional, or vocational objective;

(4) the term "course" means an organized unit of subject matter in which instruction is offered within a given period of time or which covers a specific amount of related subject matter for which credit toward graduation or certification is usually given;

(5) the term "dependent" means—

(A) a child (as defined in paragraph VI of Veterans Regulation Numbered 10, as amended) of an eligible veteran,

(B) a parent (as defined in paragraph VII of Veterans Regulation Numbered 10, as amended) of an eligible veteran, if the parent is in fact dependent upon the veteran, and

(C) the wife of an eligible veteran, or, in the case of an eligible veteran who is a woman, her husband if he is in fact dependent upon the veteran;

(6) the term "educational institution" means any public or private elementary school, secondary school, vocational school, correspondence school, business school, junior college, teachers college, college, normal school, professional school, university, scientific or technical institution, or other institution furnishing education for adults;

(7) the term "training establishment" means any business or other establishment providing apprentice or other training on the job, including those under the supervision of a college or university or any State department of education, or any State apprenticeship agency, or any State board of vocational education, or any joint apprentice committee, or the Bureau of Apprenticeship established in accordance with Public Law 308, Seventy-fifth Congress, or any agency of the Federal Government authorized to supervise such training;

(8) the term "Armed Forces" means the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard of the United States;

(9) the term "State" means the several States, the Territories and possessions of the United States, and the District of Columbia;

(10) the term "Administrator" means the Administrator of Veterans' Affairs;

(11) the term "Commissioner" means the United States Commissioner of Education.

PART II—ELIGIBILITY

ENTITLEMENT TO EDUCATION OR TRAINING GENERALLY

SEC. 211. Each eligible veteran shall, subject to the provisions of this title, be entitled to the education or training provided under this title.

COMMENCEMENT; TIME LIMITATIONS

SEC. 212. (a) No eligible veteran shall be entitled to initiate a program of education or training under this title after August 20, 1954, or after two years after his discharge or release from active service, whichever is later.

(b) The program of education and training of an eligible veteran under this title shall, on and after the delimiting date for the veteran to initiate his program, be pursued continuously until completion except that an eligible veteran may suspend the pursuit of his program for periods of not more than 12 consecutive months, and may suspend the pursuit of such program for longer periods if the Administrator finds that the suspension for each such period was due to conditions beyond the control of the eligible veteran.

38 U.S.C.
note foll.
ch. 12.

50 Stat. 654.
29 U.S.C.
§§50-50b.

(c) In the event an eligible veteran returns to active service in the Armed Forces during the basic service period, his date of discharge or release shall, for the purposes of this section and section 213, be the date of his discharge or release from his last period of active service which began during the basic service period.

EXPIRATION OF ALL EDUCATION AND TRAINING

SEC. 213. No education or training shall be afforded an eligible veteran under this title beyond seven years after either his discharge or release from active service or the end of the basic service period, whichever is earlier.

DURATION OF VETERAN'S EDUCATION OR TRAINING

SEC. 214. (a) Each eligible veteran shall be entitled to education or training under this title for a period equal to one and a half times the duration of his active service in the Armed Forces during the basic service period (or to the equivalent thereof in part-time training), except that—

(1) in computing the duration of his active service in the Armed Forces, there shall be excluded a period equal to any period he was assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians or as a cadet or midshipman at one of the service academies;

(2) the period of education or training to which an eligible veteran shall be entitled under this title shall not, except as provided in subsection (b), exceed thirty-six months; and

(3) the period of education or training to which an eligible veteran shall be entitled under this title together with education or training received under part VII (Public Law 16, Seventy-eighth Congress, as amended, and Public Law 894, Eighty-first Congress, as amended), or part VIII of Veterans Regulation Numbered 1 (a), as amended, shall not, except as provided in subsection (b), exceed forty-eight months in the aggregate.

57 Stat. 43.
64 Stat. 1121.
38 U.S.C.
§701a and note.

(b) Whenever the period of entitlement to education or training under this title of an eligible veteran who is enrolled in an educational institution regularly operated on the quarter or semester system ends during a quarter or semester and after a major part of such semester or quarter has expired, such period shall be extended to the termination of such unexpired quarter or semester. In all other courses offered by educational institutions, whenever the period of eligibility ends after a major portion of the course is completed such period may be extended to the end of the course or for nine weeks, whichever is the lesser period.

(c) In the case of any eligible veteran who is pursuing any program of education or training exclusively by correspondence, one-fourth of the elapsed time in following such program of education or training shall be charged against the veteran's period of entitlement.

Correspondence
courses.

PART III—ENROLLMENT

SELECTION OF PROGRAM

SEC. 221. Subject to the provisions of this title, each eligible veteran may select a program of education or training to assist him in attaining an educational, professional, or vocational objective at any educational institution or training establishment selected by him, whether or not located in the State in which he resides, which will

accept and retain him as a student or trainee in any field or branch of knowledge which such institution or establishment finds him qualified to undertake or pursue. Notwithstanding the foregoing provisions of this section, an eligible veteran may not pursue a program of education or training at an educational institution or training establishment which is not located in a State, unless such program is pursued at an approved educational institution of higher learning. The Administrator in his discretion may deny or discontinue the enrollment under this title of any veteran in a foreign educational institution if he finds that such enrollment is not for the best interest of the veteran or the Government.

APPLICATIONS; APPROVAL

SEC. 222. Any eligible veteran who desires to initiate a program of education or training under this title shall submit an application to the Administrator which shall be in such form, and contain such information, as the Administrator shall prescribe. The Administrator shall approve such application unless he finds that such veteran is not eligible for or entitled to the education or training applied for or that his program of education or training fails to meet any of the requirements of this title, or that the eligible veteran is already qualified, by reason of previous education and training, for the educational, professional, or vocational objective for which the courses of the program of education or training are offered. The Administrator shall notify the eligible veteran of the approval or disapproval of his application.

CHANGE OF PROGRAM

SEC. 223. (a) Subject to the provisions of section 222, each eligible veteran (except an eligible veteran whose program has been interrupted or discontinued due to his own misconduct, his own neglect, or his own lack of application) may, at any time prior to the end of the period during which he is entitled to initiate a program of education or training under this title, make not more than one change of program of education or training.

(b) Each eligible veteran, who has not made a change of program of education or training before the expiration of the period during which he is entitled to initiate a program of education or training under this title, may make not more than one change of program of education or training with the approval of the Administrator. The Administrator shall approve such a change if he finds that—

(1) the eligible veteran is not making satisfactory progress in his present program and that the failure is not due to his own misconduct, his own neglect, or his own lack of application, and if the program to which the eligible veteran desires to change is more in keeping with his aptitude or previous education and training; or

(2) the program to which the eligible veteran desires to change, while not a part of the program currently pursued by him, is a normal progression from such program.

AVOCATIONAL AND RECREATIONAL COURSES

SEC. 224. (a) The Administrator shall not approve the enrollment of an eligible veteran in any bartending course, dancing course, or personality development course.

(b) The Administrator shall not approve the enrollment of an eligible veteran—

- (1) in any photography course or entertainment course, or
- (2) in any music course—instrumental or vocal—public speaking course, or course in sports or athletics such as horseback riding, swimming, fishing, skiing, golf, baseball, tennis, bowling, sports officiating, or other sport or athletic courses, except courses of applied music, physical education, or public speaking which are offered by institutions of higher learning for credit as an integral part of a program leading to an educational objective, or
- (3) in any other type of course which the Administrator finds to be avocational or recreational in character;

unless the eligible veteran submits justification showing that the course will be of bona fide use in the pursuit of his present or contemplated business or occupation.

DISCONTINUANCE FOR UNSATISFACTORY PROGRESS

SEC. 225. The Administrator shall discontinue the education and training allowance of an eligible veteran if, at any time, he finds that, according to the regularly prescribed standards and practices of the educational institution or training establishment, the conduct or progress of such veteran is unsatisfactory.

MINIMUM NUMBER OF NONVETERAN STUDENTS REQUIRED

SEC. 226. The Administrator shall not approve the enrollment of any eligible veteran, not already enrolled, in any nonaccredited course below the college level offered by a proprietary profit or proprietary nonprofit educational institution for any period during which the Administrator finds that more than eighty-five per centum of the students enrolled in the course are having all or any part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration under part VII or part VIII of Veterans Regulation Numbered 1 (a) or this title.

38 U.S.C. note
foll. ch. 12.

PERIOD OF OPERATION FOR APPROVAL

SEC. 227. (a) The Administrator shall not approve the enrollment of an eligible veteran in any course offered by an educational institution when such course has been in operation for less than two years.

(b) Subsection (a) shall not apply to—

- (1) any course to be pursued in a public or other tax-supported educational institution;
- (2) any course which is offered by an educational institution which has been in operation for more than two years, if such course is similar in character to the instruction previously given by such institution; or
- (3) any course which has been offered by an institution for a period of more than two years, notwithstanding the institution has moved to another location within the same general locality.

INSTITUTIONS LISTED BY ATTORNEY GENERAL

SEC. 228. The Administrator shall not approve the enrollment of, or payment of an education and training allowance to, any eligible veteran in any course in an educational institution or training establishment while it is listed by the Attorney General under section 3 of part III of Executive Order 9835, as amended.

5 U.S.C. § 631
note.

PART IV—PAYMENTS TO VETERANS
EDUCATION AND TRAINING ALLOWANCE

SEC. 231. (a) The Administrator shall pay to each eligible veteran who is pursuing a program of education or training under this title, and who applies therefor, an education and training allowance to meet in part the expenses of his subsistence, tuition, fees, supplies, books, and equipment.

(b) The education and training allowance for an eligible veteran shall be paid, as provided in section 232, only for the period of the veteran's enrollment as approved by the Administrator, but no allowance shall be paid—

(1) to any veteran enrolled in a course approved under section 253 or a course of institutional on-farm training for any period when the veteran is not pursuing his course in accordance with the regularly established policies and regulations of the institution and the requirements of this title,

(2) to any veteran enrolled in a course approved under section 254 or in a course of apprentice or other training on the job for any day of absence in excess of thirty days in a twelve-month period, not counting as absences weekends or legal holidays established by Federal or State law during which the institution or establishment is not regularly in session or operation, or

(3) to any veteran pursuing his program of education exclusively by correspondence for any period during which no lessons were serviced by the institution.

Requirements.

(c) No education and training allowance shall be paid to an eligible veteran for any period until the Administrator shall have received—

(1) from the eligible veteran (A) in the case of an eligible veteran enrolled in a course approved under section 253 or a course of institutional on-farm training, a certification that he was actually enrolled in and pursuing the course as approved by the Administrator, or (B) in the case of an eligible veteran enrolled in a course approved under section 254 or a course of apprentice or other training on the job, a certification as to actual attendance during such period, or (C) in the case of an eligible veteran enrolled in a program of education or training by correspondence, a certification as to the number of lessons actually completed by the veteran and serviced by the institution, and

(2) from the educational institution or training establishment, a certification, or an endorsement on the veteran's certificate, that such veteran was enrolled in and pursuing a course of education or training during such period, and, in the case of an institution furnishing education or training to a veteran exclusively by correspondence, a certification, or an endorsement on the veteran's certificate, as to the number of lessons completed by the veteran and serviced by the institution.

Education and training allowances shall, insofar as practicable, be paid within twenty days after receipt by the Administrator of the certifications required by this subsection.

COMPUTATION OF EDUCATION AND TRAINING ALLOWANCES

SEC. 232. (a) The education and training allowance of an eligible veteran who is pursuing a program of education or training in an educational institution and is not entitled to receive an education and training allowance under subsection (b), (c), (d), (e), or (f) shall be computed as follows:

Allowances.

(1) If such program is pursued on a full-time basis, such allowance shall be computed at the rate of \$110 per month, if the veteran has no dependent, or at the rate of \$135 per month, if he has

one dependent, or at the rate of \$160 per month, if he has more than one dependent.

(2) If such program is pursued on a three-quarters time basis, such allowance shall be computed at the rate of \$80 per month, if the veteran has no dependent, or at the rate of \$100 per month, if he has one dependent, or at the rate of \$120 per month, if he has more than one dependent.

(3) If such program is pursued on a half-time basis, such allowance shall be computed at the rate of \$50 per month, if the veteran has no dependent, or at the rate of \$60 per month, if he has one dependent, or at the rate of \$80 per month, if he has more than one dependent.

(b) The education and training allowance of an eligible veteran who is pursuing a full-time program of education and training which consists of institutional courses and on-the-job training, with the on-the-job training portion of the program being strictly supplemental to the institutional portion, shall be computed at the rate of (1) \$90 per month, if he has no dependent, or (2) \$110 per month, if he has one dependent, or (3) \$130 per month, if he has more than one dependent. Education and training.

(c) The education and training allowance of an eligible veteran pursuing apprentice or other training on the job shall be computed at the rate of (1) \$70 per month, if he has no dependent, or (2) \$85 per month, if he has one dependent, or (3) \$105 per month, if he has more than one dependent; except that his education and training allowance shall be reduced at the end of each four-month period as his program progresses by an amount which bears the same ratio to the basic education and training allowance as four months bears to the total duration of his apprentice or other training on the job; but in no case shall the Administrator pay an education and training allowance under this subsection in an amount which, when added to the compensation to be paid to the veteran, in accordance with his approved training program, for productive labor performed as a part of his course, would exceed the rate of \$310 per month. For the purpose of computing allowances under this subsection, the duration of the training of an eligible veteran shall be the period specified in the approved application as the period during which he may receive an education and training allowance for such training, plus such additional period, if any, as is necessary to make the number of months of such training a multiple of four. Apprentices training.

(d) The education and training allowance of an eligible veteran pursuing institutional on-farm training shall be computed at the rate of (1) \$95 per month, if he has no dependent, or (2) \$110 per month, if he has one dependent, or (3) \$130 per month, if he has more than one dependent; except that his education and training allowance shall be reduced at the end of each four-month period as his program progresses by an amount which bears the same ratio to \$65 per month, if the veteran has no dependent, or \$80 per month, if he has one dependent, or \$100 per month, if he has more than one dependent, as four months bears to the total duration of such veteran's institutional on-farm training. For the purpose of computing allowances under this subsection, the duration of the training of an eligible veteran shall be the period specified in the approved application as the period during which he may receive an education and training allowance for such training, plus such additional period, if any, as is necessary to make the number of such months of such training a multiple of four. Institutional on-farm training.

(e) The education and training allowance of an eligible veteran pursuing a program of education or training exclusively by correspondence courses.

ence shall be computed on the basis of the established charge which the institution requires nonveterans to pay for the course or courses pursued by the eligible veteran. Such allowance shall be paid quarterly on a pro rata basis for the lessons completed by the veteran and serviced by the institution, as certified by the institution.

Less-than
half-time
basis.

(f) The education and training allowance of an eligible veteran who is pursuing a program of education or training under this title in an educational institution on a less-than-half-time basis shall be computed at the rate of (1) the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same course to pay, or (2) \$110 per month for a full-time course, whichever is the lesser.

Flight train-
ing.

(g) Each eligible veteran who is pursuing an approved course of flight training shall be paid an education and training allowance to be computed at the rate of 75 per centum of the established charge which similarly circumstanced nonveterans enrolled in the same flight course are required to pay for tuition for the course. If such veteran's program of education or training consists exclusively of flight training, he shall not be paid an education and training allowance under one of the preceding subsections of this section; if his program of education or training consists of flight training and other education or training, the allowance payable under this subsection shall be in addition to any education and training allowance payable to him under one of the preceding subsections of this section for education or training other than flight training. Such allowance shall be paid monthly upon receipt of certification from the eligible veteran and the institution as to the actual flight training received by the veteran. In each such case the eligible veteran's period of entitlement shall be charged (in addition to any charge made against his entitlement by reason of education or training other than flight training) with one day for each \$1.25 which is paid to the veteran as an education and training allowance for such course.

Prohibitions.

(h) No eligible veteran shall be paid an education and training allowance under this title for any period during which (1) he is enrolled in and pursuing a course of education or training paid for by the United States under any provision of law other than this title, where the payment of such allowance would constitute a duplication of benefits paid to the veteran from the Federal Treasury, or (2) he is pursuing a course of apprentice or other training on the job, a course of institutional on-farm training, or a course of education and training described in subsection (b), on a less than full-time basis.

FULL-TIME COURSES

SEC. 233. (a) For the purposes of this title, (1) an institutional trade or technical course offered on a clock-hour basis below the college level involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of thirty hours per week of attendance is required with not more than two and one-half hours of rest periods per week allowed, (2) an institutional course offered on a clock-hour basis below the college level in which theoretical or class room instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction is required, and (3) an institutional undergraduate course offered by a college or university on a quarter or semester-hour basis for which credit is granted toward a standard college degree shall be considered a full-time course when a minimum of fourteen semester hours or its equivalent is required.

(b) The Administrator shall define full-time training in the case of all types of courses of education or training other than institutional

on-farm training and the types of courses referred to in subsection (a): *Provided*, That the Administrator shall not define full-time apprentice training for a particular establishment other than that established as the standard work-week through bona-fide collective bargaining between employers and employees.

OVERCHARGES BY EDUCATIONAL INSTITUTIONS

SEC. 234. The Administrator may, if he finds that an institution has charged or received from any eligible veteran any amount in excess of the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same course to pay, disapprove such educational institution for the enrollment of any veteran not already enrolled therein, except that, in the case of a tax-supported public educational institution which does not have established charges for tuition and fees which it requires non-veteran residents to pay, such institution may charge and receive from each eligible veteran who is a resident an amount equal to the estimated cost of teaching personnel and supplies for instruction attributable to such veteran, but in no event to exceed the rate of \$10 per month for a full-time course.

PART V—STATE APPROVING AGENCIES

DESIGNATION

SEC. 241. (a) Unless otherwise established by the law of the State concerned, the chief executive of each State is requested to create or designate a State department or agency as the "State approving agency" for his State for the purposes of this title.

(b) (1) In the event any State fails or declines to create or designate a State approving agency, the provisions of this title which refer to the State approving agency shall, with respect to such State, be deemed to refer to the Administrator.

(2) In the case of courses subject to approval by the Administrator under section 242, the provisions of this title which refer to a State approving agency shall be deemed to refer to the Administrator.

APPROVAL OF COURSES

SEC. 242. (a) An eligible veteran shall receive the benefits of this title while enrolled in a course of education or training offered by an educational institution or training establishment only if such course is approved by the State approving agency for the State where such educational institution or training establishment is situated or by the Administrator. Approval of courses by State approving agencies shall be in accordance with the provisions of this title and such other regulations and policies as the State approving agency may adopt. Each State approving agency shall furnish the Administrator with a current list of educational institutions and training establishments, specifying courses which it has approved, and, in addition to such list, it shall furnish such other information to the Administrator as it and the Administrator may determine to be necessary to carry out the purposes of this title. Each State approving agency shall notify the Administrator of the disapproval of any course previously approved and shall set forth the reasons for such disapproval.

(b) The Administrator shall be responsible for the approval of courses of education or training offered by any agency of the Federal Government authorized under other laws to supervise such education or training. The Administrator may approve any course in any other

educational institution or training establishment in accordance with the provisions of this title.

COOPERATION

SEC. 243. (a) The Administrator and each State approving agency shall take cognizance of the fact that definite duties, functions, and responsibilities are conferred upon the Administrator and each State approving agency under the veterans' educational programs. To assure that such programs are effectively and efficiently administered, the cooperation of the Administrator and the State approving agencies is essential. It is necessary to establish an exchange of information pertaining to activities of educational institutions and training establishments, and particular attention should be given to the enforcement of approval standards, enforcement of wage and income limitations, enforcement of enrollment restrictions, and fraudulent and other criminal activities on the part of persons connected with educational institutions and training establishments in which veterans are enrolled under this title.

(b) The Administrator will furnish the State approving agencies with copies of such Veterans' Administration informational material as may aid them in carrying out this title.

USE OF OFFICE OF EDUCATION AND OTHER FEDERAL AGENCIES

SEC. 244. (a) In carrying out his functions under this title, the Administrator may utilize the facilities and services of any other Federal department or agency. The Administrator shall utilize the services of the Office of Education in developing cooperative agreements between the Administrator and State and local agencies relating to the approval of courses of education or training as provided for in section 245, in reviewing the plan of operations of State approving agencies under such agreements, and in rendering technical assistance to such State and local agencies in developing and improving policies, standards, and legislation in connection with their duties under this title.

(b) Any such utilization shall be pursuant to proper agreement with the Federal department or agency concerned; and payment to cover the cost thereof shall (except in the case of the Office of Education) be made either in advance or by way of reimbursement, as may be provided in such agreement. Funds necessary to enable the Office of Education to carry out its functions under this title are authorized to be appropriated directly to such Office.

Funds.

REIMBURSEMENT OF EXPENSES

SEC. 245. The Administrator is authorized to enter into contracts or agreements with State and local agencies to pay such State and local agencies for reasonable and necessary expenses of salary and travel incurred by employees of such agencies in (1) rendering necessary services in ascertaining the qualifications of educational institutions and training establishments for furnishing courses of education or training to eligible veterans under this title, and in the supervision of such educational institutions and training establishments, and (2) furnishing, at the request of the Administrator, any other services in connection with this title. Each such contract or agreement shall be conditioned upon compliance with the standards and provisions of this title.

PART VI—APPROVAL OF COURSES OF EDUCATION AND TRAINING

APPRENTICE OR OTHER TRAINING ON THE JOB

SEC. 251. (a) Apprentice or other training on the job shall consist of courses offered by training establishments whenever such courses of training are furnished in accordance with the provisions of this section. Any training establishment desiring to furnish a course of apprentice or other training on the job shall submit to the appropriate State approving agency a written application setting forth the course of training for each job for which an eligible veteran is to be trained. The written application covering the course of training shall include the following:

Application.

(1) Title and description of the specific job objective for which the eligible veteran is to be trained;

(2) The length of the training period;

(3) A schedule listing various operations for major kinds of work or tasks to be learned and showing for each, job operations or work, tasks to be performed, and the approximate length of time to be spent on each operation or task;

(4) The wage or salary to be paid at the beginning of the course of training, at each successive step in the course, and at the completion of training;

(5) The entrance wage or salary paid by the establishment to employees already trained in the kind of work for which the veteran is to be trained; and

(6) The number of hours of supplemental related instruction required.

(b) The appropriate State approving agency may approve a course of apprentice or other training on the job specified in an application submitted by a training establishment in accordance with subsection (a) if such training establishment is found upon investigation to have met the following criteria:

Criteria.

(1) The training content of the course is adequate to qualify the eligible veteran for appointment to the job for which he is to be trained.

(2) There is reasonable certainty that the job for which the eligible veteran is to be trained will be available to him at the end of the training period.

(3) The job is one in which progression and appointment to the next higher classification are based upon skills learned through organized training on the job and not on such factors as length of service and normal turn-over.

(4) The wages to be paid the eligible veteran for each successive period of training are not less than those customarily paid in the training establishment and in the community to a learner in the same job who is not a veteran.

(5) The job customarily requires a period of training of not less than three months and not more than two years of full-time training, except that this provision shall not apply to apprentice training.

(6) The length of the training period is no longer than that customarily required by the training establishment and other training establishments in the community to provide an eligible veteran with the required skills, arrange for the acquiring of job knowledge, technical information, and other facts which the eligible veteran will need to learn in order to become competent on the job for which he is being trained.

(7) Provision is made for related instruction for the individual eligible veteran who may need it.

(8) There is in the training establishment adequate space, equipment, instructional material, and instructor personnel to provide satisfactory training on the job.

(9) Adequate records are kept to show the progress made by each eligible veteran toward his job objective.

(10) Appropriate credit is given the eligible veteran for previous training and job experience, whether in the military service or elsewhere, his beginning wage adjusted to the level to which such credit advances him and his training period shortened accordingly and provision is made for certification by the training establishment that such credit has been granted and the beginning wage adjusted accordingly. No course of training will be considered bona fide if given to an eligible veteran who is already qualified by training and experience for the job objective.

(11) A signed copy of the training agreement for each eligible veteran, including the training program and wage scale as approved by the State approving agency, is provided to the veteran and to the Administrator and the State approving agency by the employer.

(12) Upon completion of the course of training furnished by the training establishment the eligible veteran is given a certificate by the employer indicating the length and type of training provided and that the eligible veteran has completed the course of training on the job satisfactorily.

(13) That the course meets such other criteria as may be established by the State approving agency.

INSTITUTIONAL ON-FARM TRAINING

SEC. 252. (a) An eligible veteran shall be entitled to the benefits of this title while enrolled in a course of full-time institutional on-farm training which has been approved by the appropriate State approving agency in accordance with the provisions of this section.

Approval requirements. (b) The State approving agency may approve a course of institutional on-farm training when it satisfies the following requirements:

(1) The course combines organized group instruction in agricultural and related subjects of at least two hundred hours per year (and of at least eight hours each month) at an educational institution, with supervised work experience on a farm or other agricultural establishment.

(2) The eligible veteran will perform a part of such course on a farm or other agricultural establishment under his control.

(3) The course is developed with due consideration to the size and character of the farm or other agricultural establishment on which the eligible veteran will receive his supervised work experience and to the need of such eligible veteran, in the type of farming for which he is training, for proficiency in planning, producing, marketing, farm mechanics, conservation of resources, food conservation, farm financing, farming management, and the keeping of farm and home accounts.

(4) The eligible veteran will receive not less than one hundred hours of individual instruction per year, not less than fifty hours of which shall be on such farm or other agricultural establishment (with at least two visits by the instructor to such farm each month). Such individual instruction shall be given by the instructor responsible for the veteran's institutional instruction and shall include instruction and home-study assignments in the

preparation of budgets, inventories, and statements showing the production, use on the farm, and sale of crops, livestock, and livestock products.

(5) The eligible veteran will be assured of control of such farm or other agricultural establishment (whether by ownership, lease, management agreement, or other tenure arrangement) until the completion of his course.

(6) Such farm or other agricultural establishment shall be of a size and character which (A) will, together with the group-instruction part of the course, occupy the full time of the eligible veteran, (B) will permit instruction in all aspects of the management of the farm or other agricultural establishment of the type for which the eligible veteran is being trained, and will provide the eligible veteran an opportunity to apply to the operation of his farm or other agricultural establishment the major portion of the farm practices taught in the group instruction part of the course, and (C) will assure him a satisfactory income for a reasonable living under normal conditions at least by the end of his course.

(7) Provision shall be made for certification by the institution and the veteran that the training offered does not repeat or duplicate training previously received by the veteran.

(8) The institutional on-farm training meets such other fair and reasonable standards as may be established by the State approving agency.

APPROVAL OF ACCREDITED COURSES

SEC. 253. (a) A State approving agency may approve the courses offered by an educational institution when—

(1) such courses have been accredited and approved by a nationally recognized accrediting agency or association;

(2) credit for such course is approved by the State department of education for credit toward a high school diploma;

(3) such courses are conducted under the Act of February 23, 1917, as amended (39 Stat. 927), or the Vocational Education Act of 1946; or

(4) such courses are accepted by the State department of education for credit for a teacher's certificate or a teacher's degree.

50 Stat. 775.

20 U.S.C. § 151
note.

For the purposes of this title the Commissioner shall publish a list of nationally recognized accrediting agencies and associations which he determines to be reliable authority as to the quality of training offered by an educational institution and the State approving agencies may, upon concurrence, utilize the accreditation of such accrediting associations or agencies for approval of the courses specifically accredited and approved by such accrediting association or agency. In making application for approval, the institution shall transmit to the State approving agency copies of its catalog or bulletin.

Publication of
list.

(b) As a condition to approval under this section, the State approving agency must find that adequate records are kept by the educational institution to show the progress of each eligible veteran. The State approving agency must also find that the educational institution maintains a written record of the previous education and training of the veteran and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the veteran and the Administrator so notified.

Records.

SEC. 254. (a) No course of education or training (other than a course of institutional on-farm training) which has not been approved by a State approving agency pursuant to section 253, which is offered by a public or private, profit or nonprofit, educational institution shall be approved for the purposes of this title unless the educational institution offering such course submits to the appropriate State approving agency a written application for approval of such course in accordance with the provisions of this title.

Application.

(b) Such application shall be accompanied by not less than two copies of the current catalog or bulletin which is certified as true and correct in content and policy by an authorized owner or official and includes the following:

(1) Identifying data, such as volume number and date of publication;

(2) Names of the institution and its governing body, officials and faculty;

(3) A calendar of the institution showing legal holidays, beginning and ending date of each quarter, term, or semester, and other important dates;

(4) Institution policy and regulations on enrollment with respect to enrollment dates and specific entrance requirements for each course;

(5) Institution policy and regulations relative to leave, absences, class cuts, make-up work, tardiness and interruptions for unsatisfactory attendance;

(6) Institution policy and regulations relative to standards of progress required of the student by the institution (this policy will define the grading system of the institution, the minimum grades considered satisfactory, conditions for interruption for unsatisfactory grades or progress and a description of the probationary period, if any, allowed by the institution, and conditions of reenrance for those students dismissed for unsatisfactory progress. A statement will be made regarding progress records kept by the institution and furnished the student);

(7) Institution policy and regulations relating to student conduct and conditions for dismissal for unsatisfactory conduct;

(8) Detailed schedule of fees, charges for tuition, books, supplies, tools, student activities, laboratory fees, service charges, rentals, deposits, and all other charges;

(9) Policy and regulations of the institution relative to the refund of the unused portion of tuition, fees, and other charges in the event the student does not enter the course or withdraws or is discontinued therefrom;

(10) A description of the available space, facilities, and equipment;

(11) A course outline for each course for which approval is requested, showing subjects or units in the course, type of work or skill to be learned, and approximate time and clock hours to be spent on each subject or unit; and

(12) Policy and regulations of the institution relative to granting credit for previous educational training.

Criteria.

(c) The appropriate State approving agency may approve the application of such institution when the institution and its non-accredited courses are found upon investigation to have met the following criteria:

(1) The courses, curriculum, and instruction are consistent in quality, content, and length with similar courses in public schools

and other private schools in the State, with recognized accepted standards.

(2) There is in the institution adequate space, equipment, instructional material, and instructor personnel to provide training of good quality.

(3) Educational and experience qualifications of directors, administrators, and instructors are adequate.

(4) The institution maintains a written record of the previous education and training of the veteran and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the veteran and the Administrator so notified.

(5) A copy of the course outline, schedule of tuition, fees, and other charges, regulations pertaining to absences, grading policy, and rules of operation and conduct will be furnished the veteran upon enrollment.

(6) Upon completion of training, the veteran is given a certificate by the institution indicating the approved course and indicating that training was satisfactorily completed.

(7) Adequate records as prescribed by the State approving agency are kept to show attendance and progress or grades, and satisfactory standards relating to attendance, progress, and conduct are enforced.

(8) The institution complies with all local, city, county, municipal, State, and Federal regulations, such as fire codes, building and sanitation codes. The State approving agency may require such evidence of compliance as is deemed necessary.

(9) The institution is financially sound and capable of fulfilling its commitments for training.

(10) The institution does not utilize advertising of any type which is erroneous or misleading, either by actual statement, omission, or intimation. The institution shall not be deemed to have met this requirement until the State approving agency (1) has ascertained from the Federal Trade Commission whether the Commission has issued an order to the institution to cease and desist from any act or practice, and (2) has, if such an order has been issued, given due weight to that fact.

(11) The institution does not exceed its enrollment limitations as established by the State approving agency.

(12) The institution's administrators, directors, owners, and instructors are of good reputation and character.

(13) The institution has and maintains a policy for the refund of the unused portion of tuition, fees, and other charges in the event the veteran fails to enter the course or withdraws or is discontinued therefrom at any time prior to completion and such policy must provide that the amount charged to the veteran for tuition, fees, and other charges for a portion of the course shall not exceed the approximate pro rata portion of the total charges for tuition, fees, and other charges that the length of the completed portion of the course bears to its total length.

(14) Such additional criteria as may be deemed necessary by the State approving agency.

NOTICE OF APPROVAL OF COURSES

SEC. 255. The State approving agency, upon determining that an educational institution has complied with all the requirements of this title, will issue a letter to such institution setting forth the courses which have been approved for the purposes of this title, and will fur-

nish an official copy of such letter and any subsequent amendments to the Administrator. The letter of approval shall be accompanied by a copy of the catalog or bulletin of the institution, as approved by the State approving agency, and shall contain the following information:

- (1) date of letter and effective date of approval of courses;
- (2) proper address and name of each educational institution or training establishment;
- (3) authority for approval and conditions of approval, referring specifically to the approved catalog or bulletin published by the educational institution;
- (4) name of each course approved;
- (5) where applicable, enrollment limitations such as maximum numbers authorized and student-teacher ratio;
- (6) signature of responsible official of State approving agency; and
- (7) such other fair and reasonable provisions as are considered necessary by the appropriate State approving agency.

DISAPPROVAL OF COURSES AND DISCONTINUANCE OF ALLOWANCES

Notification.

SEC. 256. (a) Any course approved for the purposes of this title which fails to meet any of the requirements of this title shall be immediately disapproved by the appropriate State approving agency. An educational institution or training establishment which has its courses disapproved by a State approving agency will be notified of such disapproval by a registered letter of notification and a return receipt secured.

(b) The Administrator may discontinue the education and training allowance of any eligible veteran if he finds that the course of education or training in which such veteran is enrolled fails to meet any of the requirements of this title or if he finds that the educational institution or training establishment offering such course has violated any provision of this title or fails to meet any of its requirements.

(c) Each State approving agency shall notify the Administrator of each course which it has disapproved under this section. The Administrator shall notify the State approving agency of his disapproval of any educational institution or training establishment under part VII of Veterans Regulation Numbered 1 (a), as amended.

38 U.S.C.
note foll.
ch. 12.

PART VII—MISCELLANEOUS PROVISIONS

AUTHORITY AND DUTIES OF ADMINISTRATOR

SEC. 261. (a) The Administrator is authorized to prescribe, promulgate, and publish such rules and regulations as are consistent with the provisions of this title and necessary to carry out its purposes. Notwithstanding the provisions of section 11 of the Act of October 17, 1940, as amended (54 Stat. 1193), payments under this title shall be subject to audit and review by the General Accounting Office as provided by the Budget and Accounting Act of 1921, as amended, and the Budget and Accounting Procedures Act of 1950.

38 U.S.C.
§ 11a-2.
42 Stat. 20.
64 Stat. 832.
31 U.S.C.
§§ 1, 2 note.

(b) The Administrator is authorized to accept uncompensated services and to enter into contracts or agreements with private or public agencies, or persons, for necessary services, incident to the administration of this title, including personal services, as he may deem practicable.

Guidance.

(c) The Administrator may arrange for educational and vocational guidance to persons eligible for education and training under this title and, if the Administrator requires such educational and voca-

tional guidance, he is authorized, in his discretion, to defray, or reimburse the veteran for his traveling expenses to and from the place of advisement. At such intervals as he deems necessary, he shall make available information respecting the need for general education and for trained personnel in the various crafts, trades, and professions: *Provided*, That facilities of other Federal agencies collecting such information shall be utilized to the extent he deems practicable.

ADVISORY COMMITTEE

SEC. 262. The Administrator shall form an advisory committee which shall be composed of persons who are eminent in their respective fields of education, labor, and management, and of representatives of the various types of institutions and establishments furnishing education and training to veterans enrolled under this title. The Commissioner and the Director, Bureau of Apprenticeship, Department of Labor shall be ex-officio members of the advisory committee. The Administrator shall advise and consult with the committee from time to time with respect to the administration of this title and the committee may make such reports and recommendations as it deems desirable to the Administrator and to the Congress.

CONTROL BY AGENCIES OF UNITED STATES

SEC. 263. No department, agency, or officer of the United States, in carrying out this title, shall exercise any supervision or control, whatsoever, over any State approving agency, State educational agency, or State apprenticeship agency, or any educational institution or training establishment: *Provided*, That nothing in this section shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or control which such department, agency, or officer is authorized, by existing provisions of law, to exercise over any Federal educational institution or training establishment, or to prevent the furnishing of education or training under this title in any institution or establishment over which supervision or control is exercised by such other department, agency, or officer under authority of existing provisions of law.

CONFLICTING INTERESTS

SEC. 264. (a) Every officer or employee of the Veterans' Administration, or of the Office of Education, who has, while such an officer or employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or services from, any educational institution operated for profit in which an eligible veteran was pursuing a course of education or training under this title shall be immediately dismissed from his office or employment.

(b) If the Administrator finds that any person who is an officer or employee of a State approving agency has, while he was such an officer or employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or services from, an educational institution operated for profit in which an eligible veteran was pursuing a course of education or training under this title, he shall discontinue making payments under section 245 to such State approving agency unless such agency shall, without delay, take such steps as may be necessary to terminate the employment of such person and such payments shall not be resumed while such person is an officer or employee of the State approving agency, or State Department of Veterans Affairs or State Department of Education.

(c) A State approving agency shall not approve any course offered by an educational institution operated for profit and, if any such course has been approved, shall disapprove each such course, if it finds that any officer or employee of the Veterans' Administration, the Office of Education, or the State approving agency owns an interest in, or receives any wages, salary, dividends, profits, gratuities, or services from, such institution.

(d) The Administrator may, after reasonable notice and public hearings, waive in writing the application of this section in the case of any officer or employee of the Veterans' Administration, of the Office of Education, or of a State approving agency, if he finds that no detriment will result to the United States or to eligible veterans by reason of such interest or connection of such officer or employee.

REPORTS BY INSTITUTIONS

SEC. 265. (a) Educational institutions and training establishments shall, without delay, report to the Administrator in the form prescribed by him, the enrollment, interruption, and termination of the education or training of each eligible veteran enrolled therein under this title.

(b) The Administrator shall pay to each educational institution which is required to submit reports and certifications to the Administrator under this title, an allowance at the rate of \$1.50 per month for each eligible veteran enrolled in and attending such institution under the provisions of this title to assist the educational institution in defraying the expense of preparing and submitting such reports and certifications. Such allowances shall be paid in such manner and at such times as may be prescribed by the Administrator, except that in the event any institution fails to submit reports or certifications to the Administrator as required by this title, no allowance shall be paid to such institution for the month or months during which such reports or certifications were not submitted as required by the Administrator.

OVERPAYMENTS TO VETERANS

SEC. 266. In any case where it is found by the Administrator that an overpayment has been made to a veteran as the result of (1) the willful or negligent failure of the educational institution or training establishment to report, as required by this title and applicable regulations, to the Veterans' Administration excessive absences from a course, or discontinuance or interruption of a course by the veteran or (2) false certification by the educational institution or training establishment, the amount of such overpayment shall constitute a liability of such institution or establishment, and may be recovered in the same manner as any other debt due the United States: *Provided*, That any amount so collected shall be reimbursed if the overpayment is recovered from the veteran. This provision shall not preclude the imposition of any civil or criminal action under this or any other statute.

EXAMINATION OF RECORDS

SEC. 267. The records and accounts of educational institutions and training establishments pertaining to eligible veterans who received education or training under this title shall be available for examination by duly authorized representatives of the Government.

FALSE OR MISLEADING STATEMENTS

SEC. 268. The Administrator shall not make any payments under this title to any person found by him to have willfully submitted any false or misleading claims. In each case where the Administrator finds that an educational institution or training establishment has willfully submitted a false or misleading claim, or where a veteran, with the complicity of an educational institution or training establishment, has submitted such a claim, he shall make a complete report of the facts of the case to the appropriate State approving agency and where deemed advisable to the Attorney General of the United States for appropriate action.

CRIMINAL PENALTIES

SEC. 269. Whoever knowingly and willfully—

(1) makes or presents any false, fictitious, or fraudulent affidavit, declaration, certificate, voucher, endorsement, or paper or writing purporting to be such, concerning any claim for payment under this title, or pertaining to any matter arising under this title,

(2) makes or presents any paper required under this title on which paper a date other than the date upon which it was actually signed or acknowledged by the claimant has been willfully inserted,

(3) certifies falsely that the declarant, affiant, or witness named in such affidavit, declaration, voucher, endorsement, or other paper or writing personally appeared before him and was sworn thereto, or acknowledged the execution thereof, or

(4) accepts and converts to his own use payments for any period during which he was not actually pursuing a course of education or training under this title for which period payment was made,

shall be fined not more than \$5,000 or imprisoned not more than three years, or both.

APPLICATION OF OTHER LAWS

SEC. 270. The provisions of Public Law Numbered 262, Seventy-fourth Congress, approved August 12, 1935 (49 Stat. 607), as amended, the provisions of section 15 of Public Law Numbered 2, Seventy-third Congress, as amended, the provisions of section 12 of Public Law Numbered 144, Seventy-eighth Congress, approved July 13, 1943 (57 Stat. 557), as amended, and the provisions of titles II and III of Public Law Numbered 844, Seventy-fourth Congress, approved June 29, 1936, as amended, shall be for application under this title.

38 U.S.C.
§§ 450, 454a,
556a and note.
48 Stat. 11.
38 U.S.C. §715.
38 U.S.C. note
foll. ch. 12.
49 Stat. 2031.
38 U.S.C.
§§101-104, 131-
133, 619 note.

WAIVER OF RECOVERY OF OVERPAYMENTS

SEC. 271. There shall be no recovery of payments of education and training allowance made under this title from any person who, in the judgment of the Administrator, is without fault on his part and where, in the judgment of the Administrator, such recovery would defeat the purpose of benefits otherwise authorized or would be against equity and good conscience. No disbursing officer or certifying officer shall be held liable for any amount paid to any person where the recovery of such amount is waived under this section.

SEC. 272. The Federal Trade Commission shall keep all State approving agencies advised of any information coming to its attention which would be of assistance to such agencies in carrying out their duties under this title.

EFFECTIVE DATE

SEC. 273. This title shall take effect on the date of its enactment, except that no education and training allowance shall be paid for any period prior to August 20, 1952.

APPROPRIATIONS

SEC. 274. The appropriations for the Veterans' Administration under the headings "Administration, medical, hospital and domiciliary services" and "Readjustment benefits" are hereby made available for expenditures necessary to carry out the provisions of this title, and there is hereby authorized to be appropriated such additional amounts as may be necessary to accomplish the purposes of this title.

TITLE III—LOANS

PERSONS ELIGIBLE FOR LOANS

SEC. 301. Subsection (a) of section 500 of the Servicemen's Readjustment Act of 1944, as amended, is amended—

58 Stat. 291.
38 U.S.C.
§ 694.

(1) by inserting after "war" in the first sentence the following: ", or at any time on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress,";

(2) by inserting after the first sentence the following: "Entitlement derived from service on or after June 27, 1950, shall (1) cancel any unused entitlement derived from service prior to June 27, 1950, and (2) be reduced by the amount entitlement from such prior service shall have been used to obtain a direct, guaranteed, or insured loan (a) on real property which the veteran owns at the time of application or (b) as to which the Administrator shall have incurred actual liability or loss, unless in the event of loss or the incurrence and payment of such liability by the Administrator, the resultant indebtedness of the veteran to the Government shall have been paid in full."; and

(3) by inserting after "war" in the fourth sentence of such subsection, as amended by this section, the following: ", and any loan to a veteran eligible by virtue of active service on or after June 27, 1950, if made within ten years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress,".

POWER OF ADMINISTRATOR TO EXAMINE LOANS

SEC. 302. Section 500 of the Servicemen's Readjustment Act of 1944, as amended, is amended by adding at the end thereof the following new subsection:

"(f) Notwithstanding the provisions in this title respecting automatically guaranteed loans, the Administrator may at any time upon thirty days' notice require loans to be made by any lender or class of lenders to be submitted for prior approval, and no guaranty or insurance liability shall exist in respect to such loans unless evidence of guaranty or insurance is issued by the Administrator."

38 U.S.C.
§ 694.

ADDITIONAL REQUIREMENT FOR GUARANTEED LOANS

SEC. 303. Section 501 (a) (2) of the Servicemen's Readjustment Act of 1944, as amended, is amended by inserting after "expenses" the following: "and the veteran is a satisfactory credit risk". 38 U.S.C. § 694a.

STANDARDS OF PLANNING AND CONSTRUCTION ; SUBSTANTIAL DEFICIENCIES IN HOUSING

SEC. 304. Section 504 of the Servicemen's Readjustment Act of 1944, as amended, is amended by striking out subsection (b) and inserting in lieu thereof the following new subsections: 38 U.S.C. § 694d.

"(b) No loan for the purchase or construction of residential property on which construction is begun subsequent to sixty days from the date the Veterans' Readjustment Assistance Act of 1952 becomes effective shall be financed through the assistance of the provisions of this title unless the property meets or exceeds minimum requirements for planning, construction, and general acceptability prescribed by the Administrator: *Provided*, That subsection 504 (b) as originally enacted shall continue to be applicable to construction begun prior to the end of such sixty-day period: *Provided further*, That this subsection shall not apply to a loan for the purchase of residential property the construction of which was completed more than one year prior to the making of such loan.

"(c) The Administrator shall have the right to refuse to appraise any dwelling or housing project owned, sponsored, or to be constructed by any person identified with housing previously sold to veterans under this title as to which substantial deficiencies have been discovered, or as to which there has been a failure or indicated inability to discharge contractual liabilities to veterans, or as to which it is ascertained that the type of contract of sale or the methods or practices pursued in relation to the marketing of such properties were unfair or unduly prejudicial to veteran purchasers."

ELIGIBILITY FOR LOANS TO REFINANCE EXISTING LIABILITY

SEC. 305. Section 507 (1) of the Servicemen's Readjustment Act of 1944, as amended, is amended by inserting before the semicolon at the end thereof the following: "or, in the case of a veteran eligible by virtue of active service on or after June 27, 1950, not later than ten years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress". 38 U.S.C. § 694h.

EXPIRATION OF AUTHORITY TO MAKE DIRECT LOANS

SEC. 306. Section 512 (b) of the Servicemen's Readjustment Act of 1944, as amended, is amended by striking out "(D)" and inserting in lieu thereof "(C)" and by inserting before the period at the end thereof the following: "except that if a commitment to make such a loan was issued by the Administrator prior to that date the loan may be completed subsequent to such date". 38 U.S.C. § 694i.

REFUSAL TO GUARANTEE OR INSURE LOANS IN CERTAIN CASES

SEC. 307. Title III of the Servicemen's Readjustment Act of 1944, as amended, is amended by adding at the end thereof the following new section: 38 U.S.C. §§ 694-694m.

"SEC. 514. Whenever the Administrator finds with respect to loans guaranteed or insured under this title that any lender or holder has failed to maintain adequate loan accounting records, or to demonstrate

proper ability to service loans adequately or to exercise proper credit judgment or has willfully or negligently engaged in practices otherwise detrimental to the interest of veterans or of the Government, he may refuse either temporarily or permanently to guarantee or insure any loans made by such lender or holder or bar such lender or holder from acquiring loans guaranteed or insured under this title: *Provided*, That the Administrator shall not refuse to pay a guarantee on loans theretofore entered into in good faith between the veteran and the lending institution."

TITLE IV—UNEMPLOYMENT COMPENSATION FOR VETERANS OF SERVICE ON OR AFTER JUNE 27, 1950

COMPENSATION FOR VETERANS UNDER STATE AGREEMENTS

SEC. 401. (a) The Secretary is authorized on behalf of the United States to enter into an agreement with any State, or with the agency administering the unemployment compensation law of such State, under which such State agency (1) will make, as agent of the United States, payments of compensation to veterans, in accordance with the provisions of this title, and (2) will otherwise cooperate with the Secretary, and with other State agencies, in making payments of compensation under this title.

Rate of
compensation.

Date of
eligibility.

(b) Any such agreement shall, except as provided in section 408, provide that compensation at the rate of \$26 per week will be paid by the State to any veteran in such State with respect to weeks of unemployment (not in excess of a total of 26 weeks) which occur after the ninetieth day after the date of the enactment of this Act: *Provided, however*, That if a veteran is eligible to receive mustering-out payment under section 502 of this Act, he shall not be eligible to receive compensation under this title with respect to weeks of unemployment completed within thirty days after his discharge or ninety days after the date of the enactment of this Act, whichever date is the later, if he receives \$100 in such mustering-out payment; within sixty days after his discharge or ninety days after the date of the enactment of this Act, whichever date is the later, if he receives \$200 in such mustering-out payment; or within ninety days after his discharge or ninety days after the date of the enactment of this Act, whichever date is the later, if he receives \$300 in such mustering-out payment.

(c) Any such agreement shall provide that any determination by a State agency with respect to entitlement to compensation pursuant to an agreement under this section shall be made in accordance with the State unemployment compensation law, insofar as such law is applicable, and shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in such manner and to such extent.

(d) Each agreement shall provide the terms and conditions upon which it may be amended or terminated.

COMPENSATION FOR VETERANS IN ABSENCE OF STATE AGREEMENTS

SEC. 402. (a) In the case of a veteran who is in a State which has no agreement under this title with the Secretary, the Secretary, in accordance with regulations prescribed by him, shall, upon the filing by such veteran of a claim for compensation under this subsection, make payments of compensation to him in the same amounts and for the same periods as provided in section 401 (b). Any determination by the Secretary with respect to entitlement to compensation under this subsection shall be made in accordance with the State unemployment

compensation law of the State in which the veteran is insofar as such law is applicable.

(b) In the case of a veteran who is in Puerto Rico or in the Virgin Islands, the Secretary, in accordance with regulations prescribed by him, shall, upon the filing by such veteran of a claim for compensation under this subsection, make payments of compensation to him in the same amounts and for the same periods as provided in section 401 (b). Any determination by the Secretary with respect to entitlement to compensation under this subsection shall be made in accordance with the unemployment compensation law of the District of Columbia, insofar as such law is applicable.

Puerto Rico;
Virgin Islands.

(c) Any veteran whose claim for compensation under subsection (a) or (b) of this section has been denied shall be entitled to a fair hearing in accordance with regulations prescribed by the Secretary. Any final determination by the Secretary with respect to entitlement to compensation under this section shall be subject to review by the courts in the same manner and to the same extent as is provided in section 205 (g) of title II of the Social Security Act, as amended, with respect to final decisions of the Administrator under such title.

Denial of com-
pensation.

53 Stat. 1368.
42 U.S.C. § 405.

(d) The Secretary may utilize for the purposes of this section the personnel and facilities of the agencies in Puerto Rico and the Virgin Islands cooperating with the United States Employment Service under the Act of June 6, 1933 (48 Stat. 113), as amended. For the purpose of payments made to such agencies under such Act, the furnishing of such personnel and facilities shall be deemed to be a part of the administration of the public employment offices of such agencies.

5 U.S.C. § 616;
29 U.S.C. §§ 49-
49k; 39 U.S.C.
§ 338.

PAYMENTS TO STATES

SEC. 403. (a) Each State shall be entitled to be paid by the United States an amount equal to the payments of compensation made by such State under and in accordance with an agreement under this title.

(b) In making payments pursuant to subsection (a) of this section there shall be paid to the State, either in advance or by way of reimbursement, as may be determined by the Secretary, such sum as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any sum by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made upon the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency.

(c) The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State sums payable to such State under this section. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payment to the State in accordance with such certification, from the funds for carrying out the purposes of this title.

Certification.

(d) All money paid to a State under this title shall be used solely for the purposes for which it is paid; and any money so paid which is not used for such purposes shall be returned, at the time specified in the agreement under this title, to the Treasury and credited to current applicable appropriations, funds, or accounts from which payments to States under this title may be made.

(e) An agreement under this title may require any officer or employee of the State certifying payments or disbursing funds pursuant to the agreement, or otherwise participating in its performance, to give a surety bond to the United States in such amount as the

Bond.

Secretary may deem necessary, and may provide for the payment of the cost of such bond from funds for carrying out the purposes of this title.

Certifying
officer.

(f) No person designated by the Secretary, or designated pursuant to an agreement under this title, as a certifying officer, shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to the payment of any compensation certified by him under this title.

Disbursing
officer.

(g) No disbursing officer shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment by him under this title if it was based upon a voucher signed by a certifying officer designated as provided in subsection (f) of this section.

49 Stat. 626.
42 U.S.C.
§§ 501-503.

(h) For the purpose of payments made to a State under title III of the Social Security Act, administration by the State agency of such State pursuant to an agreement under this title shall be deemed to be a part of the administration of the State unemployment compensation law.

Availability
of funds.

(i) Until such time as funds are appropriated to carry out the provisions of this title, any funds available to the Department of Labor for "Grants to States for unemployment compensation and employment service administration" are hereby made available for expenditures necessary to carry out the provisions of this title: *Provided*, That any such expenditures made or obligations incurred shall be adjusted and charged to any applicable appropriation, fund, or authorization whenever a law is enacted which contains such applicable appropriation, fund, or authorization.

INFORMATION

Sec. 404. (a) All Federal departments and agencies are directed to make available to State agencies which have agreements under this title or to the Secretary, as the case may be, such information with respect to military service of any veteran as the Secretary may find practicable and necessary for the determination of such veteran's entitlement to compensation under this title.

Reports.

(b) The agency administering the unemployment compensation law of any State shall furnish to the Secretary such information as the Secretary may find necessary or appropriate in carrying out the provisions of this title, and such information shall be deemed reports required by the Secretary for the purposes of paragraph (6) of subsection (a) of section 303 of the Social Security Act, as amended.

42 U.S.C.
§ 503.

PENALTIES

Sec. 405. (a) Whoever makes a false statement or representation of a material fact knowing it to be false, or knowingly fails to disclose a material fact, to obtain or increase for himself or for any other individual any payment authorized to be paid under this title or under an agreement thereunder shall be fined not more than \$1,000 or imprisoned for not more than one year, or both.

(b) Any person who makes, or causes to be made by another, a false statement or representation of a material fact knowing it to be false or knowingly fails, or causes another to fail, to disclose a material fact, and, as a result thereof, has received any amount as compensation under this title to which he was not entitled, shall be liable to repay such amount to the State agency or the Secretary, as the case may be, for the fund from which the amount was paid or, in the discretion of the State agency or the Secretary, as the case may be, to have such amount deducted from any future compensation payable to

him under this title within the two-year period following the finding, if the existence of such nondisclosure or misrepresentation has been found by a court of competent jurisdiction or in connection with a reconsideration or appeal.

REGULATIONS

SEC. 406. The Secretary is hereby authorized to make such rules and regulations as may be necessary to carry out the provisions of this title. The Secretary shall insofar as practicable consult with representatives of the State unemployment compensation agencies before prescribing any rules or regulations which may affect the performance by such agencies of functions pursuant to agreements under this title.

DEFINITIONS

SEC. 407. When used in this title—

- (a) The term "veteran" means any person who has served in the active service in the Armed Forces at any time on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, and who has been discharged or released from such active service under conditions other than dishonorable after continuous service of ninety days or more, or by reason of an actual service-incurred injury or disability.
- (b) The term "compensation" means the money payments to individuals with respect to their unemployment.
- (c) The term "Secretary" means the Secretary of Labor.
- (d) The term "State" includes Hawaii, Alaska, Puerto Rico, the Virgin Islands, and the District of Columbia.
- (e) The term "Armed Forces" means the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard of the United States.

NONDUPLICATION OF BENEFITS

SEC. 408. (a) Notwithstanding any other provision of this title, no payment shall be made under any agreement under this title, or, in the absence of such an agreement, by the Secretary under this title, to a veteran for—

(1) any week or any part of a week he is eligible (or would be eligible except for the provisions of this title or except for any action taken by such veteran under this title) to receive unemployment benefits at a rate equal to or in excess of \$26 per week under any Federal or State unemployment compensation law,

(2) any period with respect to which he receives an education and training allowance under subsection (a), (b), (c), or (d) of section 232 of this Act or a subsistence allowance under part VII or part VIII of Veterans Regulation Numbered 1 (a), as amended, or

(3) any period he receives additional compensation necessary for his maintenance under section 6 (b) (2) of the Federal Employees Compensation Act, as amended.

(b) In any case in which, for any week or any part of a week, a veteran is eligible for payment of compensation under this title and is also eligible (or would be eligible except for the provisions of this title or except for any action taken by such veteran under this title) to receive for such week or such part of a week unemployment benefits at a rate less than \$26 per week under any Federal or State unemployment compensation law, such veteran may elect to receive payment of compensation under this title; but if the veteran so elects, the amount of compensation payable under this title shall be reduced by the amount of such compensation benefits for which such

38 U.S.C. note
foll. ch. 12.

63 Stat. 858.
5 U.S.C. §756.

veteran is eligible (or would be eligible except for the provisions of this title or except for any action taken by such veteran under this title) under such Federal or State unemployment compensation law.

(c) If the veteran elects under subsection (b) to receive payment of compensation under this title, he shall be entitled to compensation at the rate of \$26 per week after the exhaustion of State unemployment benefits until the total compensation received under this title equals \$676.

(d) Under no circumstances shall any veteran receive compensation under this title from more than one State at one time or in a total amount in excess of \$676.

TERMINATION

SEC. 409. No compensation shall be paid under this title for any week commencing more than five years after the date determined by Presidential proclamation or concurrent resolution of the Congress prescribed in section 407 (a).

TITLE V—MUSTERING-OUT PAYMENTS

ELIGIBILITY FOR PAYMENTS

SEC. 501. (a) Except as provided in subsection (b) of this section, each member of the Armed Forces who shall have been engaged in active service on or after June 27, 1950, and prior to such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress, and who is discharged or relieved from active service under honorable conditions, shall be eligible to receive mustering-out payment.

Prohibitions.

(b) No mustering-out payment shall be made to—

(1) any member of the Armed Forces who, at the time of discharge or relief from active service, is in a pay grade higher than O-3;

(2) any member of the Armed Forces who, at the time of discharge or release from active service, is entitled to severance pay or is transferred or returned to the retired list with retired pay, retirement pay, retainer pay, or equivalent pay, or to a status in which he receives such pay: *Provided*, That this paragraph shall not apply upon retirement or separation pursuant to title IV of the Career Compensation Act of 1949;

63 Stat. 816.

37 U.S.C.

§§271-285.

(3) any member of the Armed Forces for any active service performed prior to the date of his discharge or relief from active service on his own initiative to accept employment or, in the case of any member so relieved from active service, for any active service performed prior to the date of his discharge while in such inactive status, unless he has served outside the continental limits of the United States or in Alaska;

(4) any member of the Armed Forces whose total period of service has been as a student assigned by the Armed Forces to a civilian institution for a course of education or training which was substantially the same as established courses offered to civilians;

(5) any member of the Armed Forces for any active service performed prior to the date of his discharge from such forces for the purpose of entering the United States Military Academy, the United States Naval Academy, or the United States Coast Guard Academy;

(6) any member of the Armed Forces whose sole service has been as a cadet at the United States Military Academy or the United States Coast Guard Academy, or as a midshipman at the United States Naval Academy, or in a preparatory school after nomination as a principal, alternate, or candidate for admission to any of said Academies;

(7) any commissioned officer unless he is discharged or relieved from active service within three years after such date as shall be determined by Presidential proclamation or concurrent resolution of the Congress; and

(8) any member of the Armed Forces who is ordered to active service for the sole purpose of training duty or a physical examination, or for a period of less than sixty days.

(c) A member of the Armed Forces who is eligible to receive mustering-out payments under this title and under the Mustering-Out Payment Act of 1944 for the same period of active service shall elect to receive such payment either under this title or such Act, but shall not be entitled to payment under both provisions of law.

58 Stat. 8.
38 U.S.C. § 691.

DETERMINATION OF PAYMENTS

SEC. 502. (a) Mustering-out payment for persons eligible under section 501 shall be in sums as follows:

(1) \$300 for persons who, having performed active service for sixty days or more, have served outside the continental limits of the United States or in Alaska.

(2) \$200 for persons who, having performed active service for sixty days or more, have served no part thereof outside the continental limits of the United States or in Alaska.

(3) \$100 for persons who have performed active service for less than sixty days.

(b) Each person eligible to receive mustering-out payment under subsection (a) (1) shall receive one-third of the stipulated amount at the time of final discharge or ultimate relief from active service, or at the option of the person so eligible, at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces; and the remaining amount of such payment shall be paid in two equal installments—one month and two months, respectively, from the date of the original payment. Each person eligible to receive mustering-out payment under subsection (a) (2) shall receive one-half of the stipulated amount at the time of final discharge or ultimate relief from active service or, at the option of the person so eligible, at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces; and the remaining amount of such payment shall be paid one month from the date of the original payment. Each person eligible to receive mustering-out payment under subsection (a) (3) shall receive the stipulated amount at the time of such discharge or relief from active service or, at the option of the person so eligible, at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces. A person entitled to receive the first installment of the mustering-out payment at the time of discharge or release for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces shall, at his election, receive the whole of such payment in one lump sum, rather than in installments.

Method of
payment.

SEC. 503. Any member of the Armed Forces entitled to mustering-out payment who shall have been discharged or relieved from active service under honorable conditions before the effective date of this title shall, if application therefor is made within two years after the date of enactment of this title, be paid such mustering-out payment by the Department of the Army, Navy, or Air Force, or the Treasury Department, as the case may be, beginning within one month after application has been received and approved by such department. No member of the Armed Forces shall receive mustering-out payment under this title more than once, and such payment shall accrue and the amount thereof shall be computed as of the time of discharge for the purpose of effecting a permanent separation from the service or of ultimate relief from active service or, at the option of such member, for the purpose of enlistment, reenlistment, or appointment in a regular component of the Armed Forces.

DECEASED MEMBERS

SEC. 504. If any member of the Armed Forces, after his discharge or relief from active service, shall die before receiving any portion of or the full amount of his mustering-out payment, the balance of the amount due him shall be payable, on appropriate application therefor, to his surviving spouse, if any; and if he shall leave no surviving spouse, then in equal shares to his child or children, if any; and if he shall leave no surviving spouse or child or children, then in equal shares to his surviving parents, if any. No payments under this title shall be made to any other person.

ADMINISTRATION OF TITLE

Mustering-out
payments.

SEC. 505. (a) Mustering-out payments due or to become due under this title shall not be assignable and any payments made to or on account of a veteran hereunder shall be exempt from taxation, shall be exempt from the claims of creditors, including any claim of the United States, and shall not be subject to attachment, levy, or seizure by or under any legal or equitable process whatever either before or after receipt by the payee.

Regulations.

(b) The Secretaries of the Army, Navy, Air Force, and Treasury shall make such regulations not inconsistent with this title as may be necessary effectively to carry out the provisions thereof, and their decisions shall be final and not subject to review by any court or other Government official.

Payments to
survivors.

(c) The Secretaries of the Army, Navy, Air Force, and Treasury, or such subordinate officers as they may designate, are authorized to make direct payment to survivors over seventeen years of age, and to select a proper person or persons to whom mustering-out payments may be made for the use and benefit of former active members of the Armed Forces, or survivors thereof, as defined by section 504 hereof, without the necessity of appointment by judicial proceedings of a legal representative of any such former member or such survivors when, in the opinion of the respective Secretaries or their designees, the interests of persons under seventeen years of age so justify, or where the former active member or his survivors is suffering from a mental disability sufficient to make direct payment not in the best interests of such person or persons. Payments made under the provisions of this subsection shall constitute a complete discharge of the obligation of the United States as provided in this title; and the selection of a proper person or persons, as provided herein, and the

correctness of the amount due and paid to such person or persons shall have the same finality as that accorded decisions made pursuant to subsection (b). The provisions of this subsection shall not apply where a legal guardian or committee has been judicially appointed, except as to any payments made hereunder prior to the receipt of notice of appointment.

DEFINITIONS

Sec. 506. As used in this title—

(a) The term “spouse” means a lawful wife or husband.

(b) The term “child” includes (1) a legitimate child; (2) a child legally adopted; and (3) a stepchild, if, at the time of death of the member of the Armed Forces, such stepchild was a member of the deceased’s household.

(c) The term “parent” includes father and mother, stepfather and stepmother, and father and mother through adoption.

(d) The term “Armed Forces” means the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard of the United States.

TITLE VI—MISCELLANEOUS

JOB COUNSELING AND EMPLOYMENT PLACEMENT

Sec. 601. Section 607 of title IV, Servicemen’s Readjustment Act of 1944, as amended (38 U. S. C. 695f), is hereby amended to read as follows: 58 Stat.295.

“Sec. 607. The term ‘veteran’ as used in this title shall mean a person who served in the active service of the Armed Forces during a period of war in which the United States has been, or is, engaged, or during the period on or after June 27, 1950, and prior to such date as may be thereafter determined by Presidential proclamation or concurrent resolution of the Congress, and who has been discharged or released therefrom under conditions other than dishonorable.”

AUTHORIZATION OF APPROPRIATIONS

Sec. 602. There are hereby authorized to be appropriated such sums as may be necessary to carry out this Act.

Approved July 16, 1952.

